ANCHOR INSURANCE Company Limited
RIC: 005 RC: 132269

Belief & Resilience

...surpassing our dreams.



ANNUAL REPORT
AND FINANCIAL STATEMENTS

TWENTY 20


"Anything that can go wrong will go wrong"
Be sure you have the right insurance cover.
Choose Anchor Insurance today!
ANCHOR
INSURANCE
Company Limited
RIC:005
RC: 132269
...where insurance works
Call: 09060000763, 09060000764
NAICOM/CA/ADV/2020/3325

CONTENTS

3	Our Products
4	Company Information
5	Result at a glance
6	Statement of Directors' Responsibility
7	Chairman's Statement
25	Directors' Report
30	Report of the Audit and Compliance Committee
31	Corporate Governance Report
41	Operating Result, Cash Flow and Financial Condition
43	Corporate Social Responsibility Report
45	Independent Auditor's Report
51	Company Information and Accounting Policies
73	Statement of Financial Position
74	Statement of Comprehensive Income
75	Statement of Changes in Equity
76	Statement of Cash Flows
77	Financial Risk Factors
81	Capital Risk Management
84	Fair Value of Financial Assets and Liabilities
85	Management of Insurance Risk
90	Hypothecation of Assets
91	Critical Accounting Estimates and Judgements
92	Segment Information
93	Segment Report
94	The Company Financial Assets and Liabilities
95	Notes to the Financial Statements
126	Revenue Account
127	Other National Disclosures:
128	Value Added Statement
129	Five Years Financial Summary

Our Vision

To be the most innovative and preferred provider of General Business Insurance Services in Nigeria.

Our Mission

To institutionalize the ANCHOR brand as a world class security, providing superior, efficient and dynamic insurance services anchored on state of the art technology, accountable and well-motivated staff to meet the expectations of stakeholders.

Our Values

Accountability
Transparency
Professionalism
Efficiency
Accessibility
Customer Friendly
Empathy

A
T
P
E
A
C
E

OUR PRODUCTS



...where insurance works

COMPANY INFORMATION

Dr. Elijah Akpan	Chairman
Mr. Augustine Osegha Ebose	Managing/Chief Executive
Mr. Adebisi Ikuomola	Executive Director, Technical
Mr. Ukpong Ekwere Ukpong	Non-Executive
Barr. Christopher Attah	Non-Executive
Mr. Imo-Abasi Jacob	Non-Executive
Mr. Nsikan Linus Nkan	Non-Executive
Mr. Ntuk Udo	Non-Executive
Mrs. Comfort Ewang	Non-Executive
Mr. Akinola Taiwo	Independent Director

Barr. Ime Umoh	Company Secretary
RC 132269	Registration Number
RIC - 005	NAICOM Registration Number
FRC/2013/0000000000653	Company's FRC Number
No. 7/13 Aka Road Uyo Akwa Ibom State.	Registered Office
Plot 21, Ahmed Onibudo Street, Victoria Island Lagos.	Corporate Office

Bamidele Ojo & Co. (Chartered Accountants) 2nd Floor, 5 Yusuf Okunade Close Off Iya Oloye Crescent, Idiroko Maryland, Lagos, Nigeria. FRC/2014/ICAN/00000007798	Auditors
Continental Reinsurance Corporation African Re-Insurance Corporation Nigerian Re–Insurance Corporation WAICA Re–Insurance Corporation	Re-insurers
Meridian Risk Solutions, Alwen Hough Johnson Ltd, Alsford Page & Gens Ltd UAIB Insurance Broker	Re-insurance Brokers
Logic Professional Services	Actuaries Mr. Ganiu Shefiu - FRC/NAS/00000000938
Ayo Adetunmbi & Consulting Ekere & Associate	Estate Surveyor & Valuers Mr Adebayo Adetunmbi - FRC/2016/0000008492 Mr. Nsikan Inyang - FRC/2014/NIESV/5939
Access Bank Plc, Ecobank Plc, FCMB Plc, First Bank of Nigeria Plc, Sterling Bank Plc, United Bank for Africa Plc, Unity Bank Plc, Providus Bank Ltd, Zenith Bank Plc	Bankers

Major items of Statement of Comprehensive Income

	2020 N'000	2019 N'000	% Changes
Gross Premium Written	6,763,375	4,192,606	61.32
Gross Premium Earned	6,525,352	4,112,599	58.67
Net Premium Income	5,247,225	3,436,280	52.70
Investment and Other Income	160,770	243,227	(33.90)
Profit Before Tax	336,545	280,744	19.88
Profit for the year	436,497	220,184	98.24

Major items of Statement of Financial Position

	2020 N'000	2019 N'000	% Changes
Total Assets	13,545,350	7,250,879	86.81
Insurance Contract Liabilities	1,445,116	987,587	46.33
Trade & Other Payables	497,787	799,264	(37.72)
Shareholders' Funds	5,669,178	5,311,479	6.73

STATEMENT OF DIRECTORS' RESPONSIBILITY

Statement of Directors' Responsibilities in relation to the Financial Statements for the Year Ended 31 DECEMBER 2020.

The Directors accept responsibility for the preparation of the annual financial statements that give a true and fair view of the statement of financial position of the Company at the end of the year and of its comprehensive income in the manner required by the Companies and Allied Matters Act of Nigeria and the Insurance Act of Nigeria. The responsibilities include ensuring that the company:

i. Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, then apply them consistently;

ii. Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matter Act and Insurance Act.

iii. Establishes adequate internal controls to safeguard its assets and prevent and detect fraud and other irregularities.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in compliance with:

- International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- The requirements of the Insurance Act;
- Relevant guidelines and circulars issued by the National Insurance Commission (NAICOM); and
- The requirements of the Companies and Allied Matters Act.
- Financial Reporting Council of Nigeria Act.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial position of the Company and of the profit for the year, and accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern in the years ahead.

Signed on behalf of the Board of Directors by:



Dr. Elijah Akpan
Chairman



Augustine Osegha Ebose
Managing Director/CEO

2020

CHAIRMAN'S STATEMENT



Dr. Elijah Akpan

Chairman, Board of Directors

INTRODUCTION

My well respected Shareholders, distinguished Directors, Management Team, representatives of the National Insurance Commission (NAICOM), External Auditors, gentlemen of the Press, ladies and gentlemen, I have the particular honour to welcome you to this 31st Annual General Meeting (AGM) of our great company, Anchor Insurance Company Limited, taking place virtually today, the 29th day of July, 2021, at our Corporate Office in Victoria Island, Lagos. I am filled with joy that God saw us through the health pandemic which swept round the world last year. To Him alone I ascribe all honour that we are here to review the Company's general performances during the year 2020.

Before I go into the details of my statement, it will be good to report that during the early part of the year under review, precisely February 7th, our dear Company was honoured with an award as the **Insurance Company of the Year 2019** by **Daily Independent newspaper.** It was at a very glamorous event which attracted the

gathering of not less than twelve State Governors and the 'who is who' from the business community at the Eko Hotels and Suites, Victoria Island, Lagos. It was beamed live on Channels TV. It was a day that Anchor's speedy coming up tall in the insurance industry was officially recognized and publicly announced.

Meanwhile, on October 5 last year, what started as a peaceful protest codenamed - #ENDSARS and embarked upon by the Nigerian youths in Lagos grew to cover the whole country. The protest later took a sour turn across the land when hoodlums hijacked it 15 days after. In their destructive activities which went like wild fire, our building on Wellington Bassey Way in Uyo was vandalized and torched after the offices were looted by the hoodlums on 22nd October. The building has, however, been put back to shape and tenants have returned to business.

Going into the day's business, let me crave your indulgence to briefly take us through the economic performances under which we operated for a better appreciation of the Company's efforts during year 2020.

GLOBAL ECONOMY

Year 2020 saw global growth disrupted by the COVID-19 health hazard, with many of the world's biggest economies now thrown into recession. And the quick obvious fact from this was that the impact was felt hardest on low-income households.

While the economic impact of the pandemic varies across the globe – depending on factors from countries' efforts to contain it, level of development and types of industry, to the stimulus packages available – it is useful to understand the global economic picture immediately before the pandemic.

Only 16 economies had a Gross Domestic Product (GDP) higher than $1 trillion, with the United States (US) by far the biggest economy at more than $21 trillion – making up just under a quarter of the global total of almost $88 trillion. China was the second largest at more than $14 trillion and Japan was in third place with just over $5 trillion.

The top 10 economies combined made up two-thirds of the world's GDP while about 42 others made up just over 90% of the GDP, and the rest of the world accounted for the remaining 9.8%. Africa was the smallest region represented with three economies - Nigeria, South Africa and Egypt - together making up $1.1 trillion of global GDP. This was certainly not the case in 2020 with the effects of Corona Virus on nations' business activities.

The daily number of new confirmed cases of the pandemic rose in many parts of the world, including countries where the spread of the virus had previously been partly brought under control. Combined with renewed lockdowns of varying degrees, there was a slowdown in the pace of the recovery in many countries, with the global composite Purchasing Managers' Index (PMI) sliding 0.3 point to 52.1 in September, ending four consecutive months of increase. Index of global activity improved in October but at less than half the pace of previous months.

Internationally, activity in China stood out as it started to rebound in the second quarter (Q2) when other countries were still suffering a historic shock. And the recovery continued in the third quarter (Q3) into November. Global shipping volumes exceeded pre-pandemic levels—led by China, where both exports and imports picked up sharply during the fourth quarter.

In most parts of the world, services activity remained anaemic, weighed down by a continuing depression in tourism activity. Tourism arrivals remained 90 per cent below seasonal averages in many countries in August. The number of daily commercial flights recovered to about half of 2019 levels by early August but showed no further increase in September and October.

Oil prices fell nearly 7 per cent in September before stabilizing in October, with the price of Brent crude oil averaging $40/barrel of oil (bbl). The removal of oil production blockades in Libya that were imposed in January raised output from 0.1 mb/d (millions of barrel per day) in August to an estimated 0.3 mb/d in early October. However, a resurgence of COVID-19 cases in many countries affected the recovery in oil demand, faced with the reintroduction of some lockdown measures and continued subdued activity in the aviation sector.

In the United States, there was a slow economic momentum amid persistently high new daily cases of the pandemic and elevated political uncertainty, especially after the Presidential elections of Tuesday, 3rd

November, 2020, including over the prospects of additional fiscal stimulus.

In the Euro area, the sharp rise of corona virus cases after a period of limited spread across the region, in addition to the health consequences, imperiled the nascent economic recovery and forced authorities to maintain, reintroduce or tighten pandemic control measures. The Euro area's composite PMI declined 1.5 points to 50.4 in September, with the services PMI falling back into contractionary territory.

Back home in Africa, industrial activity in South Africa continued to improve in September, with the manufacturing PMI suggesting further expansion. However, production in August remained nearly 8 per cent below its pre-pandemic level. In Nigeria, the manufacturing PMI weakened in September and remained in contraction for the fifth consecutive month, while crude oil production slowed to a four-year low.

Generally, the International Monetary Fund (IMF) estimated that the global economy shrunk by 4.4% in 2020. The organisation described the decline as the worst since the Great Depression of the 1930s. The only major economy to grow in 2020 was China as has been mentioned earlier. It registered a growth of 2.3%.

NIGERIAN ECONOMY

The Nigerian economy went through a lot of trying times during the course of year 2020.

The economy entered a recession during the year, reversing three years of recovery, due to fall in crude oil prices on account of a poor global demand and containment measures to fight the spread of the Corona virus. The containment measures mainly affected aviation, tourism, hospitality, restaurants, manufacturing and trade.

Alongside the above two situations, there were high cases of insecurity which ranged from robbery to kidnapping, cattle rustling to armed banditry, farmers and herdsmen clashes, attacks on and killings of locals in most towns and villages across the geo-political zones, the unending dastardly acts by the Boko Haram elements and the violence that followed the #ENDSARS protest in October. All these happenings, in no small measures, impacted negatively on business operations, the people's social lives and the general prices of items.

Meanwhile, the National Bureau of Statistics, on 21st November, released the Gross Domestic Product (GDP) figures for Q3-2020. The report revealed that the economy contracted by 3.62% Year on Year (YoY), indicating two consecutive quarters of negative growth rate and thus, implying the economy was now officially in recession. The result, however, represented an improvement in the economy when compared to the 6.10% sharp decline in Q2-2020. Notably, a total of 18 economic activities across different sectors recorded growth in Q3-2020 when compared to 13 activities in Q2-2020. Some of the bright spot included the information and Communication, Agriculture and Construction sectors while sectors like manufacturing and transportation remained sluggish in the negative region. The reports also showed a slower 5.9% growth compared to the 2.28% in Q3-2019 as a result of the COVID-19 impact as restriction to movement and economic activity was imposed with gradual easing in third quarter.

Following the COVID-19 induced shock on the global oil market, Oil Sector GDP contracted by 13.89% YoY, indicating a 20.38% lower relative to the rate recorded in 2019. However, on a quarter on quarter basis, the sector recorded a growth of 9.64% compared to the second quarter of 2020.

Overall, inflation rose to 12.8% in 2020 from 11.4% in 2019, fueled by higher food prices due to constraints on domestic supplies and the pass-through effects of an exchange rate premium that widened to about 24%. The removal of fuel subsidies and an increase in electricity tariffs added further to inflationary pressures. The Central Bank of Nigeria cut the policy rate by 100 basis points to 11.5% to shore up a flagging economy. The fiscal deficit, financed mostly by domestic and foreign borrowing, widened to 5.2% in 2020 from 4.3% in 2019, reflecting pandemic-related spending pressures and revenue shortfalls. Total public debt stood at $85.9 billion (25% of GDP) on 30 June 2020, 2.4% higher than a year earlier. Domestic debt represented 63% of total debt and external debt, 37%. High debt service payments, estimated at more than half of federally collected revenues, posed a major fiscal risk to the country. The current account position remained in deficit at 3.7% of GDP, weighed down by the fall in oil receipts and weak external financial flows.

NIGERIAN INSURANCE INDUSTRY

The year was generally not a pleasant one for the insurance sector. As observed earlier, the devastating effects of the pandemic, the deadly activities of Boko Haram/other criminal bodies and the destructions that followed

the hijacked #ENDSARS protest ensured poor business and weighty claims burden for the insurance industry. As recounted by the Inspector General of Police, at the end of the #ENDSARS violence, not less than 71 public warehouses and 248 private stores/office buildings were broken into, looted and vandalized or torched. Not less than 22 Police Officers were killed with about 205 Police Stations and formations torched. Vehicles and buses of different makes were burnt. The Lagos Chamber of Commerce and Industry (LCCI) estimated the losses suffered by the Nigerian economy to be about N700bn. The resultant claims that were reported by affected parties to insurers were frightening. For instance, between the end of the year under review and early 2021, **Anchor Insurance** paid out not less than N116.9m to our affected policyholders. And the Company is still receiving more claims reports.

The business and claims burden from the above happenings vis-a-vis efforts to meet NAICOM's recapitalization requirements for the first phase which ended on 31st December, 2020 was a strangulating experience for the nation's insurance operators. Concerned about the weight of these loads on the industry players, some interested parties took the insurance regulator to court to consider reordering its timetable and adopt a fresh one which would shift the first phase deadline to a date in 2021 and make December 2021 the new destination point. As at the time of making this report, the court or NAICOM was yet to make any official pronouncement on the request.

Meanwhile, during the year, precisely fourth quarter, the National Insurance Commission (NAICOM) attracted not less than N54bn into the insurance sector when it issued operational licences to four new insurance companies and one re-insurer in line with Market Conduct and Business Practice Guidelines. The new insurers and re-insurer were:

1. FBS Reinsurance Limited (N20bn)
2. Heirs Insurance Limited (N10bn)
3. Heirs Life Assurance Limited (N8bn) and
4. Enterprise Life Assurance Company Limited (N8bn).
5. Stanbic IBTC Insurance Limited (Life) (N8bn).

This development has engendered a stiffer competition for market shares among the rising number of insurance companies in the country. By implication, this will mean more efforts and work by us at **Anchor Insurance** to beat our present share of the market.

Also, in a circular to all operators dated 30th November, 2020, NAICOM opened the window on Micro-Insurance operations for insurance companies in the country. It stated that as part of the ongoing pursuit to support Financial Inclusion and increase insurance penetration in Nigeria, the Commission was permitting Micro-Insurance as part of the product lines for Conventional Insurance Companies (CICs). One must commend this action as it is a further way of expanding the market scope for the operators. However, it is unattractive to the CICs' operators because the limit of the sum-assured recommended by our regulator is low. The open wish of the industry players is for NAICOM to adopt the limit as proposed by them.

OUR GENERAL PERFORMANCE

Notwithstanding the challenges faced by businesses due to the different happenings I had explained earlier, your Company achieved a gross written premium of N6.8bn at the end of 2020 as against the N4.2bn it recorded during the corresponding period of 2019. This represents 61% achievement over the result of 2019. The Company's Profit Before Tax rose by 20% from N280.7m in 2019 to N336.5m in 2020 while the Profit After Tax recorded a 98% increase from N220.2m in 2019 to N436.5m in 2020.

Our total assets experienced a whopping 87% appreciation from N7.2bn in 2019 to N13.5bn in 2020 while the shareholders' funds grew from N5.3bn in 2019 to N5.7bn, representing a 7% rise over the result of 2019.

As a tradition at **Anchor Insurance Company Limited,** we recognize the crucial role which regular payment of claims plays in keeping any serious insurer strong in the Nigerian insurance market. Consequently, we responded to claims demands from affected genuine policyholders to the tune of N1.3bn in 2020 as against N929.6m paid in 2019. This indicates a 44% rise in our response to such genuine claims demands over the 2019 cases.

We would have performed better than the above results but as I had mentioned, the unfavourable economic weather under which businesses operated during the year also disturbed us at Anchor Insurance. This grossly altered our business expectations. However, to make sure we remained on the good side of our bottom line, we resulted to adopting short term policies. Some concluded and approved public sector transactions remained

unpaid for. In some cases, there were requests for outright cancellations of insurance transactions which had been processed and only waiting for premiums to be paid.

DIVIDEND

Dear Shareholders, it is our constant resolve to make sure that, based on the profit margin, you enjoy the dividends of your investment in the Company each year. It is based on this commitment that the Board of Directors is proposing a dividend of 4kobo per share for your approval at this Annual General Meeting.

Let me assure you on behalf of my distinguished members on the Board of the Company that we will always do better as our profit margin gets higher.

FUTURE OUTLOOK

So far, we have done well in pursuing the recapitalization exercise as ordered by NAICOM. It is our strong belief that we will sail through. This feat, when achieved, will go a long way in catapulting the Company to a vantage position where it can accommodate good volume of businesses. This will in turn have the advantage of raising our bottom line.

COVID 19 has thrown up many challenges and opportunities which we are ready to respond to with new products during the course of 2021.

Our workforce and their welfare matter to us on the Board. Our Management and Staff have been very wonderful. I can safely say that the ownership spirit they have continued to bring into the discharge of their duties is directly responsible for the good story we are telling today. On our part, we will ensure that appropriate rewards are extended to every deserving staff.

CONCLUSION

My well valued Shareholders, very distinguished Directors, Management, ladies and gentlemen, permit me to, at this juncture, thank you specially for all your supports by way of your ideas, referrals or direct business connections. We have done it in 2020, let us do it together again in 2021.

God bless our dear **Anchor Insurance Company Limited.**

God bless you all.

Thank you for listening.



Dr. Elijah Akpan
Chairman, Board of Directors
Thursday, 29th July, 2021



Dr. Elijah Akpan

Chairman

Dr. Elijah Akpan, a fearless turn-around captain of many industries, is the Chairman of the company. A boardroom expert of note, he is presently the Executive Chairman of Akwa Ibom Investment Corporation (AKICORP); Chairman/CEO of: Tropicana Group of Companies, USA; Tropicana Aluminum Manufacturing Co. Ltd, Nigeria; Tropicana International School, Uyo, Akwa Ibom State; PowerBling Nigeria Ltd and Executive Vice President, SuNergy Enterprises, USA, among others.

He started out as a Community Pharmacy Manager at the Sav-On Drug Stores, Boulder City, Nevada, USA in 1994 and later moved to University Medical Center of Las Vegas (UMC) in 1996 as a Clinical Pharmacist. In 1997, he explored into the Health Management Organisation (HMO) when he joined Health Plan of Nevada, Las Vegas as a Clinical Pharmacy Consultant and Drug Information Specialist. Between 1995 and 2009, Dr. Akpan was Chairman/CEO, Tropicana Medical Centers, Las Vegas, Nevada, USA which he had established and expanded from one medical facility to five in six years. He later sold the business out in 2009 and took a foray into broadcast media business by setting up PowerBling Television, also in Las Vegas. He was the Chairman/CEO of the broadcast outfit until 2014 when he sold the business to Open Heavens Television, UK and moved on to invest in several other lines of business and are waxing stronger by the year.

Dr. Akpan did his undergraduate studies at El Camino College Torrance, California, USA and graduated in 1988. He proceeded to the University of Southern California, Los Angeles, California for his postgraduate studies and bagged a Doctor of Pharmacy degree in 1993. In April, 2018, he was awarded an honorary Doctor of Science in Public Finance and Corporate Governance by the European American University, Commonwealth of Dominica (Africa Regional Operations).

An Honouree Member of the Las Vegas City Council, State of Nevada, USA and a registered Pharmacist with the Nevada State Board of Pharmacy, Dr. Akpan is a member of several associations including American National Association of Boards of Pharmacy; National Pharmaceutical Association, USA; American Society Health Systems Pharmacists, to mention but this few.

He is a recipient of several awards including African Leader of Integrity Merit Award, Investment Promotion Merit Award, Award for Leadership in Industrial Investments and Outstanding Performance, Empowerment and Citizens' Award, among others.

A staunch religious man and lover of books, research, music, soccer, travelling and business development, Dr. Elijah Akpan is the Co-Founder/General Overseer of the International Ministry of Salvation and Praise and the Healing House Ministries Inc.



Mr. Ebose Augustine Osegha

Managing Director/CEO

Mr. Ebose Augustine Osegha is the Managing Director/Chief Executive Officer of the burgeoning and path-defining Anchor Insurance Company Limited. Prior to his appointment in February, 2018 by our Board of Directors and subsequent confirmation by the National Insurance Commission (NAICOM) in March, 2018, he was our Executive Director, Business Development and Marketing, overseeing the entire marketing chains of the company. He joined the company in January, 2017 from Standard Alliance Insurance Plc where he had worked for not less than ten years and became General Manager, Business Development.

Ebose who is awaiting formal graduation as a PhD holder in Business Management, having successfully concluded the programme at the University of Liverpool, Liverpool, United Kingdom, is a graduate of Delta State University, Abraka and University of Ado-Ekiti, Ado-Ekiti where he obtained B.Sc (Economics) and MBA (Business Administration) respectively.
He started his working career with Erikana Nigeria Limited in 2000 as a Marketing Officer, overseeing sales and marketing. He switched over to the insurance industry in 2001 when he joined Alliance & General Insurance Company Limited as a Marketing Executive and speedily rose to the position of a Branch Manager due to his productive contributions to the growth of the company's bottom line performance. In 2004, he moved over to Capital Express General Insurance Company Limited as a Business Development Manager (Public Sector & Energy) where he developed and oversaw strategies that deepened the company's market share in that sector.

Mr. Ebose later left for Standard Alliance Insurance Plc in 2006 where, he garnered extensive experience and created a niche for himself in insurance business. He started as Deputy Manager/Group Head, Public Sector. For his exceptional performance, he was promoted to the position of Manager, Public Sector/Energy & Telecommunications, a year after. He was saddled with the responsibility of starting and developing the Public Sector Group to an enviable level as well as identifying fresh business opportunities for the company.

During the course of the same year, 2007, he was again promoted Principal Manager/Divisional Head, Public Sector/Energy & Telecoms, due to his knack for success and achieving set targets with the added function of driving corporate and product development.

From 2008 when he was promoted to Assistant General Manager/Divisional Head, Public Sector/Energy & Telecommunications, Mr. Ebose rose to the position of General Manager/Divisional Head overseeing Public Sector, Brokers Marketing, Emerging Markets, the Northern Regional Operations. He acquitted himself well with credible results and expansion of these portfolios before he left the service of the company in December, 2016 to resume in January, 2017 at Anchor Insurance Company Limited as Executive Director, Business Development and Marketing.

Mr. Ebose Augustine Osegha is a Fellow, Chartered Institute of Administrators; Member, Chartered Insurance Institute of Nigeria (CIIN); Member, Institute of Directors (M.IoD), Member, Ikoyi Club 1938, among other professional associations. He has attended courses and seminars locally and overseas.



Mr. Imo-Abasi Jacob

Non- Executive Director

Mr. Imo-Abasi Jacob is currently the Chairman, Ibom Air and Executive Director (Operations), Akwa Ibom Investment Corporation where he is in charge of Entrepreneurship/Business Development, Project Implementation/Supervision and Investment Promotion/Appraisal.

He started his professional career as a Partner with Arthur Anderson & Co. in 1982. He rose to head the Banking and Finance Group in the Audit and Business Advisory Division. Between 1995 and 2001, Mr. Jacob was at RAITAS Consulting as an Executive Director, heading its core value training and consultancy unit. From 1999 to 2007, he was the Chairman of the Privatization Committee of Akwa Ibom Investment and Industrial Promotion Council (AKIIPOC) where he successfully handled the privatization of Champion Breweries Plc, Plasto Crown Limited, Qua River Hotel, Akwa Feeds Ltd, Akwa Hatcheries Ltd and Abuja Guest Suites.

Mr. Jacob was the President of Haggai Business School and Managing Partner at Imo-Abasi Jacob & Co. Chartered Accountants. He also served as Chairman of Rosimo Associates Limited. He was the Chairman of Akwa Savings and Loans Limited (Mortgage Bankers) and had previously served as a Director, Anchor Insurance Company Limited as well as Ibom Power Company Limited. He was on the faculty of the Money Market Association of Nigeria and Centre for Law and Development Studies, among many others.

He obtained a First Class Bachelor of Science degree in Management Studies from the University of Calabar in 1981 and he is a Fellow of the Institute of Chartered Accountants.

A widely exposed and experienced scholar and technocrat, Mr. Jacob is a recipient of Dr. Pepper Bottling Co. (Nig.) award as one of the best graduating students from Management Studies (1981) and Best Performing Group Leader, Haggai Institute, Singapore (2005).



Mrs. Comfort Ewang

Non - Executive Director

Mrs. Comfort Ewang, a seasoned educationist, is since 2013 the Director of the prestigious Beulah International School based in Akwa Ibom State. She commenced her teaching career at ECWA Secondary School, Makurdi, Benue State in 1985. She moved to Air Force Secondary School, Makurdi in 1986 where she continued as a Teacher before she was engaged by the Ministry of Defence as a Physics Teacher between 1996 and 1999.

She holds a 2001 Master of Science degree from the London School of Economics, United Kingdom; Master's degree in Education (1995) from the University of Calabar; a First degree in Education (1984) from the University of Nigeria, Nsukka and an NCE (1977) from the College of Education, Uyo.

Mrs. Ewang who is a Member, Association of Christian Schools International was a one-time First Lady of Rivers and Ogun states.

She brings to the Board her deep knowledge of administration and governance matters.



Mr. Ukpong Ekwere Ukpong

Non- Executive Director

Mr. Ukpong Ekwere Ukpong, a resourceful and business reference point has since 1996 been the Managing Director/CEO, Anituson Enterprises Nigeria Ltd; ENID, Production and Construction Limited and Chairman, ENID Laboratories Limited. He also consults for Aluworks in Ghana.

He had worked in the United Kingdom after his studies over there and upon his return to Nigeria, he started off as an External Auditor at PEAT MARWICK now KPMG. He later joined Savannah Bank Nigeria Plc, Lagos, as Head Office Accountant. Thereafter, he moved to First City Merchant Bank Plc as Group Accountant. In 1987, he joined First Aluminum Plc as Chief Accountant. His innovativeness as an Accountant with keen interest and mastery of the entire business of the company earned him a promotion as the company's Business Centre Manager, West. He was the first Nigerian to take over such position from an expatriate. He was a member of the team that transformed First Aluminum Group to its enviable status in the industry today.

He was Co-promoter of Chartered Aluminum System Ltd and later held the office of Executive Director/General Manager, West/Abuja of the company.

A Fellow, Chartered and Certified Accountant, FCCA, Mr. Ukpong was educated at the College of Technology, Calabar and Newcastle Upon Tyne Polytechnic, England.

Mr. Ukpong who proudly never forgot his root was, at different times, President of the Lagos Branch of Awa Development Association, Awa Clan Development Association and Onna Development Association respectively.



Mr. Christopher Attah

Non-Executive Director

Barr. Christopher Attah is a Partner in The Zenith Law Firm. An intelligent and smart boardroom player, Barr. Attah sits as Director in reputable companies which include Meristem Securities Limited, Unitech Drilling Company Limited, Alvita Mineral Ventures Limited and Brownstone C.C. (PTY) Limited SA.

He started his legal professional career with Paul Usoro and Co. in 1996. He functioned as the Head of the South-South/South-East Division of the firm until 1997 when he moved to Aluminum Smelter Company of Nigeria Limited (ALSON) as a pioneer staff of its Legal Department. Since 2000, he is a Partner in The Zenith Law Firm which was set up by him and two other partners.

He had his 'A' levels in 1990 from Ackworth School, W. Yorks. He obtained his LLB. degree from the University of Wolverhampton, England in 1994 and BL. from Nigerian Law School in 1996.

Barr. Christopher Attah is a member of the Nigerian Capital Markets Solicitors Association, Nigeria Gas Association, Vision 20: 2020 Judiciary Committee and Business Support Group as well as Emerging Markets Private Equity Association.



Mr. Nsikan Linus Nkan

Non - Executive Director

Mr. Nsikan Linus Nkan is the Commissioner for Finance in Akwa Ibom State.

A Fellow, Institute of Chartered Accountants of Nigeria (FCA) and an Associate Member of Chartered Institute of Taxation of Nigeria (ACITN), Mr. Nkan holds a Master's degree in Business Administration from the University of Ado Ekiti (2003-2005) and a B.Sc. in Accounting from the University of Cross River State, now University of Uyo.

Prior to his appointment as Commissioner, he had served as the Akwa Ibom State Accountant-General. Mr. Nsikan Linus Nkan had earlier on worked at Zenith Bank as the Assistant General Manager/Zonal Head, Akwa Ibom State, supervising six branches and four cash offices (2014–2015). He had served variously as Assistant General Manager/Branch Head, Aka Road Branch, Uyo (2013-2014); Merchant Bankers Ltd., Lagos (1993-1997); First Bank Nigeria Plc (1992-1997) and Ideal Flour Mills Ltd, Kaduna.

He has attended series of training, locally and internationally in relevant areas, including leadership, capacity building, risk management, internal control and audit/fraud control management. Some of the trainings attended include: Macro Economic Review for Bank Executive, High performance people skills at London Business School (2004) and Leading High Performance Leaders by Harvard Business School (2004).

Mr. Ntuk Udo, a rounded Boardroom and turn-around expert is a certified Microfinance Practitioner of the Chartered Institute of Bankers of Nigeria.

Mr. Udo obtained his Bachelor's Degree in Geology from the University of Calabar in 1986 and Master's Degree in Business Administration from the University of Uyo in 2007.

He is a member of both the Nigeria Mining and Geoscience Society (NMGS) and the Council of Mining Engineers and Geoscientists (COMEG). Mr. Udo has a varied interest spanning from Extractive to Financial industries. At different times, he was an Executive Director of Anchor Insurance Company Limited in 2003 when the Company was privatized.

He played a major role in the restructuring and repositioning of the company. He later became a Non-Executive Director in the Company between 2005 and 2008.



Mr. Ntuk . J . Udo

Non - Executive Director



Mr. Akinola Taiwo
Independent Director

Mr. Akinola Taiwo, an accomplished technocrat, frontline private sector player and a public sector asset is the Principal Consultant at Akin Taiwo & Company (Chartered Accountants) and RHIEF-Taiwo Associates Limited respectively since 1985.
He is also the Executive Chairman of RHSL Property & Investment Limited and RHIEF-Lane Properties Ltd since 1993. Between 1993 and 2007, Mr. Taiwo was the Chairman, Refuge Home Savings and Loans Limited. He was Commissioner for Finance and Economic Development in Ogun State between 1997 and 1998. Prior to when he became Principal Consultant, Mr. Taiwo had worked with Coopers & Lybrand (Chartered Accountants) between 1978 and 1985. He worked across sectors where he gathered all the experience that later emboldened him to launch out on his own in 1985 with Akin Taiwo & Company (Chartered Accountants).

Mr. Taiwo who is the Chairman of the Audit Committee on the Board of Anchor Insurance has handled major responsibilities which included Lead Consultant: Revenue Mobilisation and Fiscal Commission of the Federal Government of Nigeria; Federal Inland Revenue Service and Revenue Review of All Federal Government Ministries, Departments and Agencies (MDAs) to the National Assembly.

He was a Member of Council, University of Nigeria (2013-2017); Member, Federation Account Allocation Committee; Chairman, Ogun State Tenders Board and Ogun State Mass Housing Project respectively, among others.

A 1977 B.Sc (Hons.) holder in Political Science from the prestigious University of Lagos, Mr. Akinola Taiwo is a Fellow, Institute of Chartered Accountants of Nigeria (FCA) and an Associate Member, Institute of Taxation of Nigeria (ACIT).

He is a Member of The Metropolitan Club and Ikoyi Club 1938.

Mr. Adebisi Ikuomola is our Executive Director, Technical. A versed and experienced asset in insurance technical operations, he started his insurance career with Marine & General in 1989 and has actively remained in the sector ever since.

He has worked respectively with Trustworld Insurance Company Limited as Controller, Technical, Colenson Insurance Brokers as Deputy General Manager, A&G Insurance Company as Chief Technical Officer and later joined Anchor Insurance Company Limited as the Group Head, Technical.

He holds an HND in Business Administration from Akwa Ibom State Polytechnic and MBA in Marketing, Ladoke Akintola University of Technology. He is an Associate of the Chartered Insurance Institute of Nigeria (ACIIN).

He is widely travelled and has attended training both locally and internationally to further solidify his skills.



Mr. Adebisi Ikuomola
Executive Director (Technical)



Ebose Augustine Osegha

Managing Director/Chief Executive Officer

Mr. Ebose Augustine Osegha is our Managing Director/Chief Executive Officer. Prior to his appointment in February, 2018 by our Board of Directors and subsequent confirmation in March, 2018 by the National Insurance Commission, he was the company's Executive Director, Business Development and Marketing, overseeing our entire marketing chains.

He joined the company in January, 2017 from Standard Alliance Insurance Plc where he had worked for not less than ten years and rose to the position of General Manager/Divisional Head, Public Sector, Brokers Marketing and Emerging Markets. He holds B.Sc, Delta State University, Abraka; MBA, University of Ado-Ekiti, Ado -Ekiti and PhD (awaiting graduation), University of Liverpool, United Kingdom. He is a Fellow, Chartered Institute of Administrators and Member: Chartered Insurance Institute of Nigeria (CIIN); Institute of Directors; Ikoyi Club 1938, among others.



Adebisi Ikuomola
Executive Director, Technical

Mr. Adebisi Ikuomola is our Executive Director, Technical. A versed and experienced asset in insurance technical operations, he started his insurance career with Marine & General in 1989 and has actively remained in the sector ever since.

He has worked respectively with Trustworld Insurance Company Limited as Controller, Technical, Colenson Insurance Brokers as Deputy General Manager, A&G Insurance Company as Chief Technical Officer and later joined Anchor Insurance Company Limited as the Group Head, Technical.

He holds an HND in Business Administration from Akwa Ibom State Polytechnic and MBA in Marketing, Ladoke Akintola University of Technology. He is an Associate of the Chartered Insurance Institute of Nigeria (ACIIN).

He is widely travelled and has attended training both locally and internationally to further solidify his skills.



Jide Fasanmi
GM, Business Development

Mr. Jide Fasanmi is the General Manager, Marketing, of the Company. He drives the Marketing engine of the organisation. He is grounded insurance practitioner with long years of experience in insurance underwriting and broking concerns. He joined the Company in May, 2018 from Staco Insurance Plc where he was Assistant General Manager, Brokers/Branch Operations.

He holds a B.Sc and an MBA from Abubakar Tafawa Balewa University and the Lagos State University, Ojo, respectively. He is an Associate Member, Nigerian Institute of Management, Nigerian Council of Registered Insurance Brokers and Chartered Insurance Institute of Nigeria.



Ime Umoh
Company Secretary/Legal Adviser

Mr. Ime Umoh, a Deputy General Manager, is the Company Secretary/Legal Adviser. He is a long standing Legal Practitioner with experience in legal research, corporate legal practice, insurance and financial services. He joined the Company in September 2004 from Nnedu Endeavours Nigeria Limited where he was the Company Secretary/Legal Adviser.

He holds a National Diploma in Mass Communication from The Polytechnic, Calabar, Cross River State, an LLB (Hons.) from University of Uyo and is a Barrister and Solicitor of the Supreme Court of Nigeria.

He is a Fellow of the Institute of Chartered Secretaries and Administrators, Nigeria and an Associate member of the Institute of Chartered Secretaries and Administrators, UK.



Bassey Wilson Etukudo
Group Head, Human Resources/
Head of Administration

Mr. Bassey is the Company's Group Head, Human Resources and Administration. He started his work carrier as Office Assistant with Ministry of Health, Cross River State in 1982. He left the Ministry as Senior Personnel Assistant to further his studies in 1984. He joined the employ of Anchor Insurance Company as an Administrative Officer in 1991. In 2010, he was appointed Group Head, Human Resources and Administration. He holds B.Sc and PGD from University of Cross River State in 1988 and 1998 respectively. He also holds Certificate in Effective Supervisory Management and Work Planning Strategies from College of Arts, Management and Technology, Aba in 1993.

Mr. Bassey has attended several certificated training programmes in Human Resources and Personnel Management and on Administrative and Material Management locally and internationally.

He is an Associate Member, Institute of Personnel Management of Nigeria (AIPMN) and Associate Member, International Association for People and Performance Development (IAPPD).



Solomon Akpan
Financial Controller

Mr. Solomon Akpan is our Financial Controller. He joined the Company in August, 2019 from International Energy Insurance Plc where he functioned as Internal Control, Compliance and Audit Consultant.

Mr. Akpan who has worked in different sectors of the nation's economy which include Automobile, integrated Marketing Communications, Oil and Gas, Online Marketing and Insurance, started his working career with Ultimate Motors Limited in August 1990 as an Accountant. He left the company's employ in 1995 to continue with the Accountant's job at SA & C Limited. In 2002, he crossed over to the oil and gas sector when he joined Seaweld Engineering Nigeria Limited as Finance Manager. He later moved in September 2004 to Tidex Nigeria Limited, an oil and gas firm as the Accounts Manager. After nine years with the company, he joined the services of TI Marine Services Limited in 2013 as its

Accounts Manager. In 2015, he switched to an online marketing company, Dip Discount Services Limited, where he was a Consulting Accountant. He later moved to the Insurance sector in July 2018 when he joined International Energy Insurance Plc to function as Internal Control, Compliance and Audit Consultant. During these cross- sector accounting roles, Akpan gathered extensive experience which he has brought to the advantage of Anchor Insurance Company Limited.

Solomon Akpan who is an Associate of the Institute of Chartered Accountants of Nigeria holds a Postgraduate Diploma in Management and a Master of Business Administration (MBA) respectively from the University of Calabar.



Nelson Egboboh
Head, Corporate Services/Media

Mr. Nelson Egboboh, a brand expert and an experienced journalist, is the Head, Corporate Services/Media. He joined the Company in April, 2018 after ten years with Standard Alliance Insurance Plc where he was Head, Brand and Corporate Communications. He was, at a time, Managing Director, Indexplus Marketing Solutions Limited, a sister-company to Standard Alliance Insurance Plc. Prior to moving to the insurance sector in June 2007, he had worked with The Guardian, Vanguard and was Founding Editor of The Union, a South-South regional newspaper then based in Uyo, Akwa Ibom State.

He holds an ND, Mass Communication, Auchi Polytechnic; B.A (Hons.) Philosophy and M.A, History & Diplomatic Studies, Lagos State University; M.A, Philosophy, University of Lagos and MBA, Advertising and Public Relations, ESUT Business School, Enugu.

He is a Fellow, Institute of Brand Management Nigeria and an Associate Member, Nigerian Institute of Public Relations, among others.



Bulama Mohammed

Regional Co-ordinator, Core North

Mr. Bulama Mohammed is the Regional Co-Ordinator of our business in the Core North with office in Gombe, Gombe State. He joined the Company in February, 2019 from Regency Alliance Insurance Plc where he was Regional Manager supervising the organisation's operations in Kano, Gombe, Adamawa, Borno and Yobe States.

He commenced his working career in the nation's insurance sector in August, 2003 as an Analyst with Industrial and General Insurance Plc at its Maiduguri office, Borno State. In January, 2006, he moved to NICON Insurance Plc in Maiduguri as a Sales Executive. A restless Mohammed returned to his earlier Industrial and General Insurance Plc's office as Supervisor in July, 2006. He later joined Standard Alliance Insurance Plc in January, 2008 as Area Manager, North-East, overseeing the company's businesses in Borno, Bauchi, Adamawa and Gombe States. He did this for eight years before moving to Regency Alliance Insurance Plc as Regional Manager in January, 2016.

Bulama Mohammed holds a B.A (Hons.) in English and a Master's degree in Public Administration from the University of Maiduguri. He further holds a Diploma in Computer Applications (Yaysib Computer Institute) and National Diploma in Civil Law (College of Legal and Islamic Studies).

He is a Member, Chartered Insurance Institute of Nigeria and Chartered Institute of Loans and Risk Management of Nigeria respectively. He has attended several professional training programmes held at different centres in Nigeria.



Koyenikan Olubukola

Head, Enterprise Risk Management

Ms. Koyenikan Olubukola is the Head, Enterprise Risk Management. She joined the Company in August, 2018 from the Bridge Clinic where she was the Internal Auditor.

She holds a B.Sc (Hons.) in Economics and an M.Sc (Risk Management) from the Lagos State University and University of Lagos respectively. She further holds an Advanced Diploma in Accounting and Business. She is a Fellow, Association of Certified Chartered Accountants (FCCA); Member, CIIN and Associate Member, Risk Managers Association of Nigeria.

Ms. Koyenikan joined the insurance industry in 2014 as an Internal Auditor and Compliance Officer at Standard Alliance Insurance Plc. She later moved to the health sector as Internal Auditor at the Bridge Clinic in 2017.

She is passionate about quality management and well-rounded in the area of risk management.



Familugba Adetayo

Head, Treasury and Investment

Mr. Familugba Adetayo, a seasoned accountant and experienced banker, is the Head of our Treasury and Investment. He joined Anchor Insurance Company Limited in August 2018 from Standard Alliance Insurance Plc where he was Regional Accountant, North.

He commenced his working career with Wema Bank (formerly National Bank of Nigeria Limited) in December 2000. He later left after six years of garnering cross-departmental banking experience for then Oceanic Bank International Plc, now EcoBank where he functioned in different capacities at the Reconciliation/Investigations and Trade Services Departments. He crossed over to the insurance sector in June 2012 when he joined Standard Alliance Insurance Plc as Treasurer.

Mr. Familugba holds a 2004 Master in Business Administration (MBA) degree from Obafemi Awolowo University. A well travelled Familugba Adetayo who came out in the third position nationwide in ICAN November 1999 is a Fellow, Institute of Chartered Accountants and Associate, Chartered Institute of Bankers of Nigeria.



Inyangenang Udoaka Dickson

Acting Group Chief Internal Auditor

Mr. Inyangenang Dickson is the Acting Group Chief Internal Auditor. He joined the employ of the Company in 2011 as Head, Final Accounts from Victoria Water Services Limited where he was Head, Internal Control.

Since completing his National Service with Adetunji Azeez & Co. (Chartered Accountants) in Jos in 1995, he has worked as Head of Credit Control, Internal Control and as Audit Manager across different sectors.

Mr. Inyangenang holds a First Degree in Accounting and an MBA in Financial Management from the University of Uyo and the Lagos State University respectively.

He is an Associate Member of both the Nigerian Institute of Management and Institute of Chartered Accountants of Nigeria.

He has attended several training programmes locally and abroad.

2020

DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors have pleasure in presenting their report on the affairs of Anchor Insurance Company Limited and the audited financial statements of the Company for the year ended 31 December 2020.

The Company

The Company was incorporated in Nigeria as a Private Limited Liability Company on 6th June, 1989 and received its certificate as an insurer on 17th October, 1989. The Company was re-certified by NAICOM in February, 2007.

Principal activities

The Company's principal activities continue to be the provision of General Insurance Business.

Operating results

The following is the Company's operating results for the year in thousands of Nigeria Naira

	N'000
Gross Premium	6,763,375
Profit before tax	336,545
Income Tax (Expenses)/Credit	99,952
Profit after tax	436,497
Transfer to Contingency Reserve	(202,901)
Dividend for the year	-
Earnings per share (kobo)	19.44

Dividends

The Directors proposed dividend of 4kobo per Ordinary Share to be paid to shareholders. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as liability in these financial statements until approved and declared by the shareholders. The proposed dividends is subject to withholding tax at the appropriate rate and is payable to shareholders whose names appear in the Register of members at the closure date.

Business Review and Future Development

The Company shall continue to fulfill its objectives in business review and future development as contained in its Articles and Memorandum of Association.

The Company shall continue to pursue and fulfill standards set by the regulatory authority, NAICOM.

Directors and their interests

The Directors who held office during the year and their beneficial interests in the Company's issued share capital are given below:

Names of Directors		As at 31 December 2020 N	As at 31 December 2019 N
Dr. Elijah Akpan	Rep. Akwa Ibom Investment Corporation	-	-
Mr. Augustine Osegha Ebose	MD/CEO	-	-
Barr. Christopher Attah	Rep. Leeked Investment Ltd	-	-
Mr. Nsikan Linus Nkan	Rep. Akwa Ibom Investment Corporation	-	-
Mrs. Comfort Ewang	Rep. Ukartel Nigeria Ltd	-	-
Mr. Imo-Abasi Jacob	Rep. Akwa Ibom Investment Corporation	-	-
Mr Ukpong Ekwere Ukpong	Rep. Akwa Ibom Investment Corporation	-	-
Mr. Akinola Taiwo	Independent Director	-	-
Mr. Adebisi Ikuomola	Executive Director (Technical)	-	-
Mr. Ntuk Udo	Rep. Ukartel Nigeria Ltd	-	-

Resignation of Directors

None

Appointment of Directors

None

Directors' interest in contracts

In compliance with section 303 of the Companies and Allied Matters Act of Nigeria, none of the Directors has notified the Company of any declared interest in contracts deliberated by the Company during the year under review.

Major Shareholding

According to the Register of Members, no shareholders other than the under mentioned held more than 5% of the issued share capital of the Company as at year ended 31 December 2020.

	No. of Shareholding	% Shareholding
Akwa Ibom state Government	1,364,153,449	60.76%
Ukartel Nigeria Limited	614,296,551	27.36%
Leeked Investment Limited	135,059,055	6.02%

Analysis of shareholding

The analysis of the distribution of the shares of the Company as at year ended 31 December, 2020 is as follows:

Share Range	No. of Shareholders	No. of Holdings	% of Holdings
1,000,001 – 5,000,000	5	17,150,000	0.77
5,000,001 – 10,000,000	3	26,090,945	1.16
10,000,001 – 50,000,000	3	88,250,000	3.93
50,000,001 – 1,000,000,000	2	749,355,606	33.38
1,000,000,001 – 2,000,000,000	1	1,364,153,449	60.76
Total	14	2,245,000,000	100.00

Agencies and Brokers

The Company maintains a network of licensed Agents throughout the country. The Company also renders services to its customers through Brokers licensed by the National Insurance Commission.

Employment and Employees

Health and safety regulations are in force within the Company's premises and employees are aware of the existing regulations. The Company provides subsidy to all employees for utilities, transportation and housing and also entered into agreement with Health Management Company for the provision of medical care for the workers.

Employee development and training

The Company is committed to keeping employees as fully informed as possible regarding its performance and progress and seeking their views where practicable on matters which particularly affect them as employees. Management and staff are the Company's major assets and investment in their future development will continue. The Company's expanding skills base has been extended by a range of training provided to its employees whose opportunities for career development within the Company have thus been enhanced.

Property and Equipment

Information relating to changes in property and equipment during the year is given in Note 17 to the financial statements.

Donations and Charitable Gifts

A total sum of N18,060,161 (2019 : N7,600,000) was donated to non-political and charitable organisations in order to identify with the aspirations of the community and the environment within which the company operates. Details of such donations and charitable contribution are as follows:

	N
• Nigerian Insurer Association - Donation to fight COVID-19	10,000,000
• Mathias Okoi-Uyo Book launch	1,000,000
• Q.MED Diagnostic Services - COVID-19 Palliative to Akwa Ibom State	5,360,000
• Sponsorship of ICAN UYO District Society	500,000
• Corporate Social Responsibility to Adeyemi College	1,200,161
	18,060,161

Acquisition of Own Shares

The Company did not acquire any of its own shares during the year.

Event after the Reporting Date

There were no post balance sheet events after the reporting date which could have a material effect on the financial position of the company as at 31 December, 2020.

Auditors

The auditors, Messrs Bamidele Ojo & Co. (Chartered Accountants) have served out their tenure in office as auditors to the Company. In accordance with Section 401(2) of the Companies and Allied Matters Act of Nigeria, new auditors will be appointed at the next Annual General Meeting of the Company.

By order of the Board



Barrister Ime F. Umoh
Company Secretary

FRC/2013/NBA/00000002876

Lagos, Nigeria.
26th May, 2021

REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE

In compliance with the provisions of section 404(7) of the Companies and Allied Matters Act of Nigeria, the members of the Audit and Compliance Committee of Anchor Insurance Company Limited hereby report as follows:

We have exercised our statutory functions under Section 404(7) of the Companies and Allied Matters Act of Nigeria and acknowledged the co-operation of management and staff in the conduct of these responsibilities. We are of the opinion that the accounting and reporting policies of the Company are in compliance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 December, 2020 were satisfactory.

We have confirmed with the external auditors, that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses to their recommendations for improvement and with the effectiveness of the Company's accounting and internal control.

The members of the audit and compliance committee are:

S/N	Names	Position	
1	Mr. Akinola Taiwo	Independent Director	Chairman
2	Mr. Imo-Abasi Jacob	Shareholders' representative	Member
3	Mr. Christopher Attah	Shareholders' representative	Member
4	Mr. Ntuk Udo	Shareholders' representative	Member



Mr. Akinola Taiwo
Chairman

FRC/2013/ICAN/00000004548

2020

CORPORAT

GOVERNAN

REPORT

CORPORATE GOVERNANCE REPORT

Corporate Governance Report

Anchor Insurance Company Limited has consistently developed corporate policies and standards to encourage good and transparent corporate governance framework to avoid potential conflicts of interest between all stakeholders whilst promoting ethical business practices.

In order to ensure consistency in its practice of good corporate governance, the Company continuously reviews its practice to align with the various applicable codes of corporate governance and the National Insurance Commission (NAICOM) regulations.

Governance Structure

The governance of Anchor Insurance Company Limited resides with the Board of Directors which is accountable to shareholders for creating and delivering sustainable value through the management of the Company's business.

The Board of Directors is responsible for the efficient operation of the Company and to ensure that the Company fully discharges its legal, financial and regulatory responsibilities.

Like any other Company, while the formulation of policies and objectives are the responsibilities of the Board of Directors, the execution of these plans and policies are the functions of Management.

At present, the total number of Directors are ten (10). Two (2) of the Directors are acting in Executive capacity while eight (8) are Non-Executive Directors. There is one (1) independent Director out of the eight (8) that are Non- Executive.

The Board also reviews corporate performance, monitors the implementation of corporate strategy and sets the Company's performance objectives. The Board monitors the effectiveness of its governance practices, manages potential conflicts and provides general direction to Management. These oversight functions of the Board of Directors are exercised through its various Committees. In the course of the period under review, the Board has three (3) Committees to ensure the proper management and direction of the Company via interactive dialogue on a regular basis.

The Board membership comprises of ten (10) members, which includes the Chairman, six (6) Non-Executive Directors, two (2) Executive Directors and one (1) Independent Director appointed based on the criteria laid down by NAICOM for the appointment of Independent Director(s). The Independent Director does not have any significant shareholding interest or any special business relationship with the Company.

The effectiveness of the Board derives from the appropriate balance and mix of skills and experience of Directors, both Executive and Non-Executive. The Company's Board is made up of seasoned professionals, who have excelled in their various professions and possess the requisite integrity, skills and experience to bring to bear independent judgment on the deliberations of the Board.

The Board meets quarterly and additional meetings are convened when required. The Board met four (4) times during the year ended 31 December, 2020. During each of the meetings, the Directors are provided with detailed current information about the Company and are also briefed on business development.

Responsibilities of the Board

The Board determines the strategic objectives of the Company in delivering long-term growth and short term goals. In fulfilling its primary responsibility, the Board is aware of the importance of achieving a balance between compliance to governance principles and economic performance.

The responsibilities of the Board; including the powers reserved for the Board in the Articles of Association of the Company are:

i. Review corporate strategy, major plans of actions, risk policy, business plans, setting performance objectives, monitoring implementation and corporate performance and overseeing major capital expenditures and acquisitions.

ii. Select, compensate, monitor and when necessary, replace key executives and ensures succession planning.

iii. Monitor the effectiveness of the governance practices under which it operates and make changes as may be necessary.

iv. Ensure the integrity of the Company's accounting and financing reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for monitoring risk, financial control and compliance with the law.

v. Monitor and manage potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions when applicable.

vi. Supervise and monitor the execution of policies and providing direction for the management.

vii. Monitor potential risks within the Company including recognizing and encouraging honest whistle blowing.

viii. Oversee the process of disclosure and communication in the Company.

Roles of Key Members of the Board

The positions of the Chairman of the Board and the Chief Executive Officer are separate and held by different persons. The Chairman and the Chief Executive Officer are not members of the same extended family.

The Chairman

The Chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely and clear information to enable the Board take informed decisions, monitor effectively and provide advice to promote the success of the Company.

The Chairman also facilitates the contribution of Non-executive Directors to promote effective relationships and open communications, both inside and outside the Boardroom, between Executive and Non-executive Directors. The Chairman strives to ensure that any disagreement on the Board is resolved amicably.

The Chief Executive Officer

The Board has delegated the responsibility for the day-to-day Management of the Company to the Chief Executive Officer (CEO), who is responsible for leading management and for making and implementing operational decisions. The CEO is responsible to the Board of Directors and ensures that the Company complies strictly with regulations and policies of both the Board and Regulatory Authorities. The CEO ensures that optimization of the Company's resources is achieved at all times and has the overall responsibility for the Company's financial performance.

Executive Director, Technical

The Executive Director, Technical is a Board member who is responsible for strategic business. He provides direction and leadership on the overall technical operations of the Company towards achievement of the goals and objectives of the Company.

Assessment/underwriting of various risks presented to the Company for acceptance by carrying out Pre- Loss survey of risks.

Other technical duties are: Preparation of Insurance policies; Claims Handling and settlements; Re-insurance Placement of risks; Monitoring, Management and report on risk underwriting on the enterprise on regular basis.

The Independent Director

In line with the National Insurance Commission (NAICOM) code of corporate governance practices, the Board has an Independent Director who does not represent any particular shareholding interest nor holds any business interest in the Company.

Company Secretary

The Company Secretary is a point of reference and support for all Directors. It is his responsibility to update the Directors with all requisite information promptly and regularly. The Board may through the Company Secretary obtain information from external sources, such as consultants and other advisers, if there is a need for outside expertise, via the Company Secretary or directly. The Company Secretary is further responsible to assist the Chairman and Chief Executive Officer to formulate Annual Board Plans and with the administration of other strategic issues at the Board level; organize Board meetings and ensure that the minutes of Board meetings clearly and properly capture Board's discussions and decisions.

Director Nomination Process

The Board agrees on the criteria for the desired experience and competencies of new Directors. The Board has power under the Articles of Association to appoint a Director to fill a casual vacancy or as an additional Director. The criteria for the desired experience and competencies of new Non-executive Directors are agreed upon by the Board. The balance and mix of appropriate skills and experience of Non-executive Directors is taken into account when considering a proposed appointment. In reviewing the Board composition, the Board ensures a mix with representatives from different industry sectors.

The appointment of Directors is subject to the approval of National Insurance Commission (NAICOM). The following core values are considered critical in nominating a new Director:

i. Integrity
ii. Professionalism
iii. Career Success
iv. Recognition
v. Ability to add value to the Organization

Training and Development of Board Members

On appointment to the Board and to Board Committees, all Directors receive a formal induction tailored to meet their individual requirements. The New Directors are oriented about the Company and its operations through the Company Secretary via the provision of the Company's Articles of Association, relevant statutory books and regulations and adequate information on the operations. The Directors are also given a mandate and terms of reference to aid in performance of their functions. The Management further strives to acquaint the new Directors with the operations of the Company via trainings/seminars to the extent desired by new Directors to enable them function in their position. The training and education of Directors on issues pertaining to their oversight functions is a continuous process, in order to update their knowledge and skills and keep them informed of new developments in the insurance industry and operating environment.

Non-Executive Directors Remuneration

The Company's policy on remuneration of Non-Executive Directors is guided by the provisions of NAICOM which stipulate that Non- Executive Directors' remuneration should be limited to Directors' fees and reimbursable travel and hotel expenses. Director's fees and sitting allowance were paid to only Non-executive directors as recommended by the Board's Committee on Enterprise Risk Management & Governance Committee.

Details of remuneration paid to Non-Executive Directors is as stated below:

S/N	Names	Fees N'000	Sitting All'wce N'000	Fuelling All'wce N'000	Club Subs. N'000	Committee All'wce N'000	Vacation All'wce N'000	Total N'000
1	Dr. Elijah Akpan	4,300	1,200	1,200	3,000	120	2,120	11,940
2	Mr. Ukpong Ekwere Ukpong	4,000	1.050	1,200	3,000	1,170	1,500	11,920
3	Mr. Imo-Abasi Jacob	4,000	1.050	1,200	3,000	1,620	1,500	12,370
4	Barr. Christopher Attah	4,000	1.050	1,200	3,000	1,350	1,500	12,100
5	Mrs. Comfort Ewang	4,000	1.050	1,200	3,000	720	1,500	11,470
6	Mr. Nsikan Linus Nkan	4,000	900	1,200	3,000	450	1,500	11,050
7	Akinola Taiwo	4,000	1.050	1,200	3,000	1,440	1,500	12,190
8	Mr. Ntuk Udo	4,000	1.050	1,200	3,000	1,260	1,500	12,010
		32,300	8,400	9,600	24,000	8,130	12,620	95,050

Board Committees

The Board carries out its responsibilities through its Committees, which have clearly defined terms of reference, setting out their roles, responsibilities, functions and scope of authority.

Through these Committees, the Board is able to more effectively deal with complex and specialized issues and to fully utilize its expertise to formulate strategies for the Company. The Committees make recommendations to the Board, which retains responsibility for final decision making.

All Committees in the exercise of their powers as delegated conform to the regulations laid down by the Board, with well-defined terms of reference contained in the roles and responsibilities of each Committee. The Committees render reports to the Board at the Board's quarterly meetings.

A summary of the roles, responsibilities, composition and frequency of meetings of each of the Committees are as stated hereunder:

i. Enterprise Risk Management and Governance Committee

This Committee has supervisory function over risk management, the risk profile, the enterprise-wide risk management framework, underwriting functions of the Company and the risk-reward strategy determined by the Board.

The main function of the Committee is to assist in the oversight review and approval of the Company's risk management policy including risk appetite and risk strategy; to oversee management's process for the identification of significant risks across the company and the adequacy of prevention, detection and reporting mechanisms.

The Committee is also charged with the review of large underwritten risks for adequacy of reinsurance and other risk management techniques including environmental & social management system.

The Committee has supervisory functions over the whole Company, recruitment and ensuring corporate governance compliance. The main function of the Committee is to establish the criteria for Board and Board Committee memberships, review candidates qualifications and any potential conflict of interest, assess the contribution of current Directors in connection with their re-nomination and

make recommendations to the Board.

The Committee ensures that a succession policy and plan exist for the positions of Chairman and Executive management.

The Board Enterprise Risk Management/Governance Committee comprised the following members during the period under review:

S/N	Names	Position
1	Mr. Imo-Abasi Jacob	Chairman
2	Mr. Nsikan Nkan	Member
3	Mrs. Comfort Ewang	Member
4	Mr. Akinola Taiwo	Member
5	Mr. Ukpong Ekwere Ukpong	Member

ii. Finance, Investment and General Purpose Committee

The Board Finance, Investment and General Purpose Committee is responsible for the approval of financial matters and sets expenditure limits for the Management of the Company. This Committee has supervisory functions over finance issues and other related issues such as capital expenditures etc.

The functions of the Committee are to approve all expenditures above the Management limit. Where it is not expedient for the members of the Committee to meet, a finance investment approval can be obtained through circularization of the approval. The Committee also approves investment decisions and portfolio limits by Management of the Company. The Committee is also responsible for the review and approval of the accounting manual and shall have supervisory functions over investment and other finance-related issues such as capital & funding requirements.

Other functions of the Committee include approval of all investments above the limit of the Management. Where it is not expendient for the members of the committee to meet, an investment approval can be obtained through circularization of the approval. The Committee is also responsible for the review and approval of the investment manual on a periodic basis and to further identify specific areas for review as approved by the Board in particular the financial implications of new and major investment strategies/initiatives.

The Committee is to make recommendations of investment policies for consideration and adoption by the Board, including proposed ethical positions with respect to appropriate investments and shall conduct a review of the performance of the major assets in the Company's investment portfolios on a quarterly basis.

The Finance, Investment and General purposes Committee comprised the following members during the period under review:

S/N	Names	Position
1	Mr. Ukpong Ekwere Ukpong	Chairman
2	Barr. Christopher Attah	Member
3	Mr. Nsikan Nkan	Member
4	Mrs. Comfort Ewang	Member
5	Mr. Ntuk Udo	Member

iii. Audit & Compliance Committee

Auditing is vital to ensuring that accounting norms for insurance businesses are effectively applied and maintained and to monitor the quality of internal control procedures; ensure compliance with all regulatory directives. The Committee shall be responsible for the review of the integrity of the data and information provided in the Audit and/or Financial Reports.

The Committee provides oversight functions with regard to both the company's financial statements and its internal control and risk management functions. The Committee shall ensure compliance with legal and other regulatory requirements, assessment of qualifications and independence of external auditor; and performance of the company's internal audit function as well as that of external auditors

The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its functions and responsibilities. The Committee makes whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed. The Board Audit & Compliance Committee comprised the following members during the period under review:

S/N	Names	Position
1	Mr. Akinola Taiwo	Chairman
2	Mr. Imo-Abasi Jacob	Member
3	Barr. Christopher Attah	Member
4	Mr. Ntuk Udo	Member

Attendance of Board and Board Committee Meetings

The table below shows the frequency of meetings of the Board of Directors, as well as Members' attendance for the year ended 31 December 2020.

The Board met four (4) times during the year ended 31 December 2020 as shown below.

S/N	Name of Director		No. of Board meetings attended	July	Sept.	Oct.	Dec.
1	Dr. Elijah Akpan	Chairman	4	√	√	√	√
2	Mr. Augustine Osegha Ebose	Director	4	√	√	√	√
3	Mr.Ukpong Ekwere Ukpong	Director	4	√	√	√	√
4	Mr. Imo-Abasi Jacob	Director	4	√	√	√	√
5	Mrs. Comfort Ewang	Director	4	√	√	√	√
6	Barr. Christopher Attah	Director	4	√	√	√	√
7	Akinola Taiwo	Director	4	√	√	√	√
8	Mr. Adebisi Ikuomola	Director	4	√	√	√	√
9	Mr. Nsikan Linus Nkan	Director	3	√	√	×	√
10	Mr. Ntuk Udo	Director	4	√	√	√	√

Annual General Meeting (AGM)

The Annual General Meeting of the Company is the highest decision making body of the Company. The Company is driven by its desire to deliver significant returns on its shareholders investment. The shareholders have an opportunity to express their concerns (if any) and opinions on the Company's financial results and all other issues at the Annual General Meeting of the Company. The Meetings are conducted in a fair and

transparent manner where the regulators are invited such as The National Insurance Commission, Corporate Affairs Commission, the Auditors as well as other Stakeholders.

Shareholders Rights

The Board ensures the protection of the statutory and general rights of shareholders at all times, particularly their right to attend and vote at general meetings. All shareholders are fairly treated, regardless of volume of shareholding or social status.

Independent Advice

The Board of Directors are at their own discretion and at the Company's expense required to seek Independent professional advice when required to enable a Member of the Board effectively perform certain responsibilities.

Management Committees

The Company has four Committees which comprise of Management staff.

The Management Committee (MC) is the Committee set up to identify and make recommendations on strategies that will aid the long term objectives of the Company.

a. Claims Committee

The functions of this Committee are as stated below:

- To review and amend claims payment policy for Board approval from time to time.
- To assess claims reported and ensure timely processing and payment of all duly authenticated claims.
- To deliberate on emerging trends in claim process.

The membership of the Committee is as follows:

S/N	Names	Position
1	Mr. Adebisi Ikuomola	Chairman (Executive Director, Technical)
2	Mr. Solomon Akpan	Member (Financial Controller)
3	Mr. Imowo Etim	Chief Internal Auditor
4	Mr. Alo Olusola	Member (Head of Claims)
5	Ms. Olubukola Koyenikan	Member (Head of ERM)

b. Enterprises Risk Management Committee

The functions of this Committee are as stated below:

- Responsible for the assessment of risk in the Company and ensuring that they are compatible with the risk appetite of the Company.
- Reporting on risk profile of the Company
- Recommend risk management measures to Management.

The membership of the Committee is as follows:

S/N	Names	Position
1	Ms. Olubukola Koyenikan	Chairman (Head of ERM)
2	Barr. Ime Umoh	Member (Company Secretary)
3	Mr. Solomon Akpan*	Member (Financial Controller)
4	Mr. Imowo Etim	Chief Internal Auditor
5	Mrs. Olaide Akinlusi	Member (Management Accountant)

c. Investment Committee

The functions of this committee are as stated below:

- Responsible for the appropriate channeling of the investment of the Company
- Responsible for carrying out/implementing of Board policy on Investment.

The membership of the Committee is as follows:

S/N	Names	Position
1	Mr. Solomon Akpan*	Chairman (Financial Controller)
2	Mr. Adebisi Ikuomola	Member (Executive Director, Technical)
3	Mr. Imowo Etim	Member (Chief Internal Auditor)
4	Mr. Olajide Fasanmi	Member (GM, Marketing)
5	Ms. Olubukola Koyenikan	Member (Head of ERM)
6	Mr. Adetayo Familugba	Member (Head of Investment)

d. Disciplinary Committee

The functions of this Committee are as stated below:

- To ensure that the work force is disciplined in line with staff conditions of service as approved by the Board.

The membership of the committee is as follows:

S/N	Names	Position
1	Barr. Ime Umoh	Chairman (Company Secretary)
2	Mr. Imowo Etim	Member (Chief Internal Auditor)
3	Mr. Solomon Akpan*	Member (Financial Controller)
4	Mr. Olajide Fasanmi	Member (GM, Marketing)
5	Mr. Bassey Etukudo	Member (Head of Human Resources)

Code of Professional Conduct for Employees

The Company had an internal Code of Professional Conduct, which all members of staff are expected to subscribe to upon assumption of duties. Staffs are also required to reaffirm their commitment to the Code annually. All members of staff are expected to strive to maintain the highest standards of ethical conduct and integrity in all aspects of their professional life as contained in the Code of Professional Conduct which prescribes the common ethical standards, culture and policies of the Group relating to employee values.

Internal Management Structure

The Company operates an internal management structure where all officers are accountable for duties and responsibilities attached to their respective offices and there are clearly defined and acceptable lines of authority and responsibility.

An annual appraisal of the duties assigned and dedicated to each person is done by the first quarter of the preceding year.

Business Strategy of the Company and Overall Performance

The Company is registered and incorporated in Nigeria, licenced to provide insurance services to both corporate and retail sectors in Nigeria. It aims to establish itself as the apex Insurance Company in Nigeria and the West African region as a whole.

The Company has fully implemented the NAICOM directive on "no premium no cover policy" since January 2014. The policy aims to stimulate liquidity within the system by reducing the huge receivables being carried on the statement of financial position of Insurance Companies. This will positively impact the income statements of insurance companies by eliminating the large portion of provision for outstanding premium charged for the receivables and make available more cash which can be used to generate more investment income.

Premium would only be recognized when cash is received.

*Mr. Solomon Akpan, the Financial Controller is late at February 2nd 2021.

OPERATING RESULT, CASH FLOW AND FINANCIAL CONDITION

(In thousands of Nigerian Naira)

	December, 2020 N'000	December, 2019 N'000	Changes %
Gross Premium Written	6,763,375	4,192,606	61.32
Net Premium Income	5,247,225	3,436,280	52.70
Underwriting result	2,160,703	1,703,680	26.83
Investment Income	139,992	216,031	(35.20)
Operating Expenses	2,005,113	1,787,363	12.18
Profit Before Tax	336,545	280,744	19.88
Earnings Per Share	19.44	9.81	98.24

The Company experienced improvement of 52.70% in its Net Premium Income revenue when compared with previous year. The increase was due to improved marketing effort and key emphasiss on providing superior insurance services and products that meet the global needs of customers.

Revenue and Underwriting Result

The Company's level of activity witnessed significant improvement during the year as Net premium income increased by 52.70% over the last year from N3.4billion to N5.2billion. However the operating expenses increased by 12.18% resulting in increase in Profit before tax by 19.88% over the last year.

Investment Income

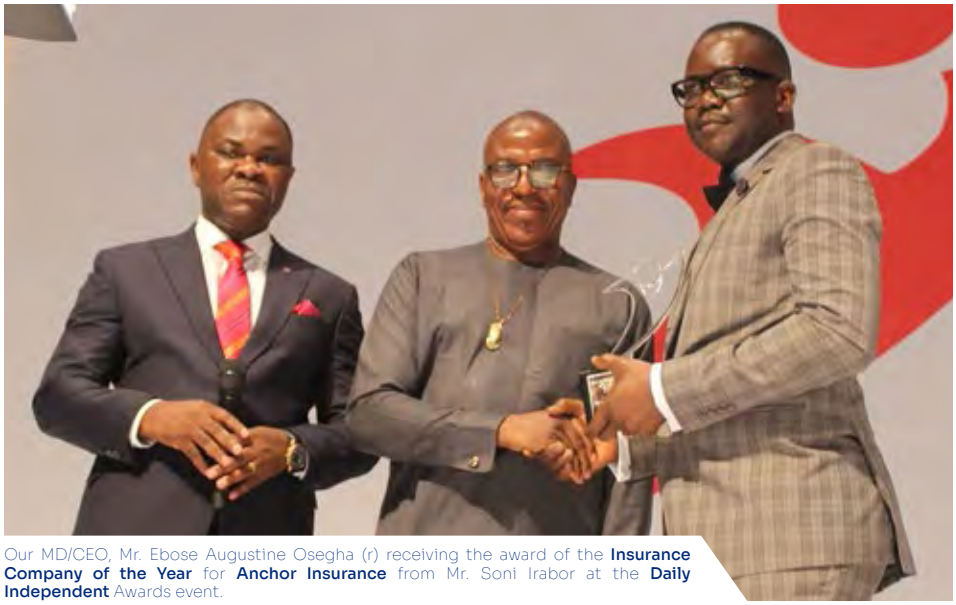
Investment income for the year was N139.9million as against N216million in 2019

Operating Expenses

Operating expenses for the year amounted to N2.0billion compared to N1.7billion in 2019.

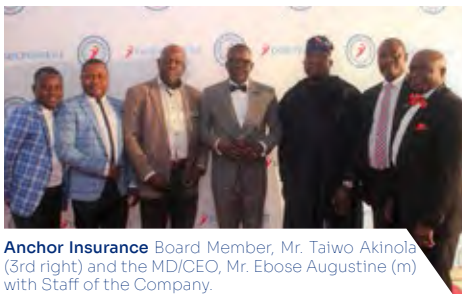
Insurance Company of the Year Award Winner

@ Daily Independent Awards Ceremony, February 2020 @ Eko Hotel



Our MD/CEO, Mr. Ebose Augustine Osegha (r) receiving the award of the **Insurance Company of the Year** for **Anchor Insurance** from Mr. Soni Irabor at the **Daily Independent** Awards event.





Anchor Insurance Board Member, Mr. Taiwo Akinola (3rd right) and the MD/CEO, Mr. Ebose Augustine (m) with Staff of the Company.







L-R: The MD/CEO & his wife, Mrs. Naomi Ebose; Messrs. Taiwo Akinola and Imo-Abasi Jacob, both Members of the Company's Board of Directors.



Mr. Ebose Augustine (r) exchanging pleasantries with the Deputy Governor of Edo State, Rt. Hon. Philip Shaibu (l).





2020

CORPORATE SOCIAL RESPONSIBILITY REPORT

CORPORATE SOCIAL RESPONSIBILITY REPORT

CORPORATE SOCIAL RESPONSIBILITY REPORT

We consider the discharge of Corporate Social Responsibility (CSR) as an integral part of our existence as a Company. We believe that as an organization that prides itself as a good corporate citizen, we owe a duty to give back to the society that has ensured we remain in business through the years. Therefore, we are committed to the overall well-being of our immediate and larger society.

Among such CSR activities carried out in 2020 by the Company are the following:

1. Philkon Nigeria Limited (Miss Style Nigeria Beauty Pageant), Uyo.
2. Nigeria Insurers Association - Donation to fight COVID-19.
3. Mathias Okoi-Uyouyo Book Launch
4. COVID-19 Non-Pharmaceutical Palliatives support to Akwa Ibom State.
5. Sponsorship of inauguration of National Association of Insurance & Pension Correspondents' new Exco.
6. Sponsorship of ICAN Uyo District Society.
7. Adeyemi College of Education, Ondo.
8. COVID-19 Non-Pharmaceutical Palliatives support to FRSC, Abuja.

2020

INDEPENDE

AUDITOR'S R

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Anchor Insurance Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Anchor Insurance Company Limited ("the Company") which comprise the statement of financial position as at year ended 31 December, 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 24 to 93.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Company as at year ended 31 December, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") Guidelines and Circulars.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria and we have fulfiled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Insurance contract liabilities

The valuation of insurance contract liabilities involves high estimation uncertainties and significant judgement over uncertain future outcomes.

Provisions for reported claims are based on historical experience. However, the eventual liabilities may differ from the estimated amounts. Furthermore, the estimated liability for claims that have occurred but are yet to be reported involve economic assumptions about inputs such as inflation rate, ultimate loss ratio and discount rates, hence the eventual outcome is uncertain.

The level of complexity, the assumptions and judgments involved in estimating these amounts make insurance contract liabilities a matter of significance to our audit.

The Company's accounting policy on valuation of insurance contract liabilities and related disclosures are shown in Notes 2.71, 4.1 and 19.

How the matter was addressed in our audit

Our audit procedures included the following:

- We evaluated the design, implementation and operating effectiveness of key controls instituted by the Company which includes management review of data used for the valuation of insurance contract

liabilities.
- We tested the accuracy and completeness of the underlying data used in actuarial valuations by checking the claims paid, outstanding claims and underwriting data.
- We relied on the professional judgment and the appropriateness of the methodology used by the Company's external actuary in calculating the insurance contract liabilities. This involved an assessment of the appropriateness of the valuation methods, taking into account available industry data and specific product features of the Company.
- We considered the Company's valuation methodology and assumptions for consistency between reporting periods as well as indicators of possible management bias.

Valuation of investment property

The valuation of the Company's investment property is a key audit matter due to the significance of the balance and judgment required in assessing the key valuation assumptions and methodology.

The investment property is valued annually using the open market which reflects market condition at the reporting date.

The Company's accounting policy on investment property and related disclosures are shown in Notes 2.7g (accounting policy) and Note 15 (investment property).

How the matter was addressed in our audit

- We addressed the appropriateness of the valuation methodology adopted by giving due consideration to the requirements of the relevant accounting standards and the company accounting policies.

Other Information

The Directors are responsible for the other information. The other information comprises the Result at a Glance, Statement of Directors' Responsibility, Directors' report, Report of the Audit Committee and Compliance Committee, Corporate governance report, Corporate Social Responsbility report and other National Disclosures (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Chairman's statement and report from the Executives which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act, 2020 and the Financial Reporting Council of Nigeria Act 2011, the Insurance Act 2003 and relevant National Insurance Commission of Nigeria ("NAICOM") Guidelines and Circulars, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

  Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In compliance with the requirements of fifth schedule of the Companies and Allied Matters Act, 2020 and Section 28(2) of the Insurance Act 2003.We confirm that:

i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii. in our opinion, proper books of account have been kept by the Company, in so far as it appears from our examination of those books;

iii. the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account;

iv. in our opinion, the financial statements have been properly prepared in accordance with the relevant provisions of the Companies and Allied Matters Act, 2020 and Section 28(2) of the Insurance Act 2003 so as to present fairly, in all material respects, the statement of financial position and statement of profit or loss and other comprehensive income

Penalties

The company did not contravene any of the NAICOM rules and regulations during the year.



Emmanuel OJO, FCA
FRC/2014/ICAN/00000007798

For: Bamidele Ojo & Co
(Chartered Accountants)

Date: 28th May, 2020
Lagos, Nigeria



Anchor Insurance Awareness/Fitness Walk

FEBRUARY 2020



















COMPANY INFORMATION AND ACCOUNTING POLICIES

1. GENERAL INFORMATION

Brief History

Anchor Insurance Company Limited ("the Company") was incorporated in early 1989 and commenced operations by December of same year. The Company was established by the then government of Akwa Ibom State, South South Nigeria as a fully owned state insurance company. As a result of divestment, re-engineering and re-organisation, the Company has become a national insurance company with corporate office in business capital of Nigeria and more than a dozen branches all over Nigeria.

Main Operations

Anchor insurance holds the license of General Insurance businesses which allows the Company to underwrite all classes of insurance other than life insurance. As at 31 December 2020 the main classes of business underwritten by the Company include:

- All classes of motor vehicle insurance
- Marine Cargo and Hull Insurance
- Aviation Insurance
- Fire & Allied perils Insurance
- Burglary and house breaking insurance
- All classes of Oil & Gas Insurance
- All classes of Bonds & Surety-ship
- Engineering & Telecommunication Insurance
- General Accident and micro insurance
- Employers & Directors Liability Insurance
- Space Insurance

Divisions of Operations in the Company

The Company is organized along divisional organogram comprising:

- Technical Division
- Finance & Investment Division
- Business Development & Marketing Division
- Legal & Administration Division
- Internal Audit
- Enterprise Risk Management

Branches are organised in Zonal arrangement within five zones as follows:

- Northern Zone
- Eastern Zone
- Western Zone
- South South Zone
- Lagos

Products Distribution Channel

The Company distributes its products through a network of branches in the Country with over sixty marketers in its employment, over two hundred and fifty licensed brokers and sub-agents. The company is increasingly placing emphasis on the use of information and communication technology especially the Global System of Mobile Communication (GSM) technology to reach out to thousands of potential customers.

Underwriting Activities

Businesses brought in by marketers are accessed in the context of the risk exposures and the premium to be paid by the underwriting department under technical division. The Company has established risk appetites within all classes of insurance under its Enterprise Risk Management programme. Once a risk is accepted and rated it goes through a process of generating debit note and receipt for payment of the premium due from underwriting department to the finance department using its comprehensive insurance software called Easy Policy.Net. When a risk is accepted above our net capacity the reinsurance unit is alerted for a proper reinsurance of the risk.

Remuneration Method

The remuneration method of Brokers and agents is based on commission. This is a proportion of gross premium generated based on statutory scale explicit in Insurance Acts of 2003.

Claims Management

Claims processing and payment is at the centre of activities in the Company therefore the Company maintains a simple workflow of operations from branches to corporate office in the handling of claims. All claimants are treated the same way. It start from identifying that the client has a valid policy of insurance with the Company and also that the claim demand emanates from the perils contemplated in the valid policy, claim form will be sent or downloaded to the client from our website **www.anchorinsuranceng.com** and clients are encouraged to complete same with other substantiating documents. The Company pays high premium to timely settlement of claims to enhance its reputation in the market.

Investment Activities

The Company operates a strict investment policy that lay emphasis on liquidity and reduced investment risk exposures. Cash flow and investment schedules are updated weekly for investment committee of management to take decisions within Board established Investment policy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation and Compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and IFRS interpretations committee (IFRIC) applicable to the companies reporting under IFRS and in the manner required by Companies and Allied Matters Act of Nigeria, the Insurance Act of Nigeria, the Financial Reporting Council of Nigeria Act (FRC Act) and Nigerian Insurance Commission (NAICOM) guidelines and circulars. Additional information regulations are included where appropriate.
The financial statements have been prepared under the historical cost convention, as modified by:

i. Financial instruments at fair value through profit or loss
ii. Available for sale financial assets
iii. Investment properties
iv. Revaluation of property, plant and equipment
v. V aluation of Insurance liabilities

The financial statements include the statement of financial position, statement of comprehensive income, the statement of cash flows, the statement of changes in equity and the notes to the account.
The financial statements are presented in Nigeria Naira (N), which is the presentation currency, and rounded to the nearest thousand (N'000) unless otherwise indicated. The statement of financial position has been prepared in order of liquidity.

2.2 Going Concern

These financial statements have been prepared on going concern basis. The Company has no intention or need to reduce substantially its business operations. The management believes that the going concern assumption is appropriate for the Company due to sufficient capital adequacy ratio and projected liquidity, based on historical experience that short – term obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the Company is carried out by the Company to ensure that there are no going concern threats to the operations of the Company.

2.3 Basis of Measurement

The financial statements are prepared on the historical cost convention as modified by the revaluation of investment property, available for sale investments, financial assets and liabilities (Include derivatives) at fair value through income.

2.4 Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and that affects the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, the result of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis to reflect the realities of the Company's business activities. Information about significant judgements, estimates and assumptions applied in the financial statements are contained from note 2.6

2.5 Foreign Currency Translation

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial

statements, unless otherwise stated is presented in thousands of Naira, which is the company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from translation at year–end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statements.

Foreign exchange gains and losses that relates to cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other operation income' or 'other operating expenses'.

2.6 IFRS 9 - Financial instruments

i. IFRS 9 is part of the IASB's project to replace IAS 39. It addresses classification, measurement and impairment of financial assets as well as hedge accounting. IFRS 9 replaces the multiple classification and measurement models in IAS 39 with a single model that has only three classification categories: amortized cost, fair value through OCI and fair value through profit or loss. It includes the guidance on accounting for and presentation of financial liabilities and derecognition of financial instruments which was previously in IAS 39. Furthermore for non-derivative financial liabilities designated at fair value through profit or loss, it requires that the credit risk component of fair value gains and losses be separated and included in OCI rather than in the income statement.

ii. Classification and measurement

The standard uses one primary approach to determine whether to measure a financial asset at amortized cost, fair value through OCI, or fair value through profit or loss. The Company's business model is the determining factor for classifying its financial assets. Financial assets are measured at amortized cost if the business objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest (SPPI). Financial assets are measured at fair value through OCI if the business's objective is to collect contractual cashflows as well as cashflows from selling the asset. The final category of financial assets are those assets where the business model is neither to hold for solely contractual cashflows and selling cashflows. These are financial assets that are held with the objective of trade and to realize fair value changes. The Company can also designate some of its financial assets at fair value through profit or loss if this helps to eliminate an accounting mismatch.

iii. Impairment

IFRS 9 also requires that credit losses expected at the balance sheet date (rather than those incurred during the year) are reflected at the date of reporting on all financial assets. This approach is an expected credit loss as opposed to incur credit loss under IAS 39. This approach does not require a credit loss event to have occurred before the recognition of the loss on the date of reporting. The amount of the expected credit losses is expected updated at each reporting date to reflect changes in credit risks since initial recognition.

2.6.1 Applying IFRS 9 Financial Instrument with ammendment to IFRS 4 Insurance Contracts

In September 2016, the IASB published an amendment to IFRS 4 which addresses the concerns of insurance companies about the different effective dates of IFRS 9 Financial instruments and the forthcoming new insurance contracts standard, IFRS 17. The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 (i.e. the 'deferral approach') for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional.Effective date is 1 January 2018 or when the standards becomes effective for all entity in 1 Jannary 2023

Ammendment to IFRS 4 will be superseded by the forthcomng new insurance contracts standard. Accordingly, both the temporary exemption and the 'overlay approach' are expected to cease to be applicable when the new insurance standards becomes effective.

Applying Exemption from IFRS 9

Predominance Assessment

We have conducted predominance assessment as required in paragraphs 20B and 20D of Amendments to IFRS 4. As at 31 December 2015, which is the reporting date immediately precedes 1st January 2016, the carrying amount of the Company's liabilities arising from insurance contracts was N824.709m which was greater than 80 per cent of the total carrying amount of all the company's total liabilities of N905.117m as at that date as presented below:

Breakdown of Line items under Liabilities	2015 Total Liabilities (A) N'000	2015 Eligible Liabilities (B) N'000
Insurance contract liabilities	656,885	656,885
Trade payables	16,037	16,037
1% levy on Insurance premium & commission received	17,245	17,245
Other accrued expenses	14,145	-
Pension contribution	9,877	-
PAYE	4,959	-
Co-operative Society	8,341	-
Statefarm loan	3,249	-
Other Creditors	6,627	-
Current tax liabilities (connected to underwriting Activities)	134,542	134,542
Current tax liabilities (connected to Other income)	29,268	-
Deferred Tax Liablities	3,942	-
	905,117	824,709
Predominance Assessment Score = (B/A)%		91.12

Given a score of 91.12% for the Company, we assessed whether the Company engages in a significant activity unconnected with insurance. Based on our assessment, we concluded that the Company does not engage in a significant activity unconnected with insurance since majority of the activities from which the Company earns income and incur expenses are insurance-related.

The Company has elected to apply the temporary exemption from IFRS 9 (deferral approach) and qualifies for the temporary exemption based on the following:

a. The company has not previously applied any version of IFRS 9.
b. Its activities are predominantly connected with insurance contracts (see predominance assessment above).
c. The eligible liability arising from insurance contracts and insurance connected liabilities was N824,709million as at 31st December, 2015,
the reporting date that immediately preceding Ist April 2016. This represents 91.12% of the total liablities of N905.117million.
d. The company's activities have remained the same and are predominantly connected with insurance contracts. The majority of the activities from which the Company earns income and incur expenses are insurance-related.

Fair value disclosures when applying exemption from IFRS 9

a. Financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest (SPPI)

Categories	IAS 39 Carrying Amount as at December 31, 2020	IFRS 9 Fair Value as at December 31, 2020	Fair Value Changes (Impact on 2020 Accounts)
Held to maturity (Note 8)			
18.5% Wema Bond 2023	20,000	20,000	-
Euro Bond	41,850	41,850	-
Bank Placement	2,106,912	2,106,912	-
Sub Total	2,168,762	2,168,762	-
Loans and receivables:			
Loan to staff (note 10(1))	243,369	243,369	-
Receivables from Aquila Capital (note 13)	51,703	51,703	-
Interest receivables (note 13)	19,444	19,444	-
Sub Total	314,516	314,516	-
Cash and Cash Equivalents (Note 6)			
Placements with financial Institutions	1,006,624	1,006,624	-
Trade Receiovables (Note 11)			
Premium debtors	228,342	228,342	-
Statutory deposit	315,000	315,000	-
Grand Total	4,033,244	4,033,244	-

b. Financial assets with contractual terms that do not give rise to cash flows that are solely payments of principal and interest.

Categories	IAS 39 Carrying Amount	IFRS 9 Fair Value	Changes in Fair Value
	as at December 31, 2020	as at December 31, 2020	
Fair value through profit or loss (Note 7(1)):			
Listed Equities on NSE	95,421	95,421	-
Available-for-sale- Unquoted investment at Cost (Note 9.1):			
Anchor HMO	100,000	100,000	-
Statefarm Investment Limited	110,000	110,000	-
Sub Total	210,000	210,000	-
Available-for-sale- Unquoted investment at Fair Value (Note 9.2):			
WAICA Re	339,463	339,463	-
Total- Available for sale	549,463	549,463	-

c. The table below provides an estimation of the expected impacts of IFRS 9 adoption on the classification and measurement of financial assets as at year ended 31 December, 2020.

FINANCIAL ASSETS	IAS 39 classification	IFRS 9 Classification & measurement	Carrying amount 31-Dec-20
Cash and cash equivalent	Loans & Rec.	Amortised cost	1,233,572
Investment Securities:			
- Fair value through profit or loss	FVTPL	FVTPL	95,421
- Available-for-sale assets:			
Government & corporate bonds	Avail. for sale	FVTOCI	61,850
Tenored deposits with maturity above 90 days	Avail. for sale	FVTOCI	2,106,912
Treasury bills	Avail. for sale	FVTOCI	-
Unquoted equity securities	Avail. for sale	FVTOCI	549,463
Financial assets designated at fair value	FVTPL	FVTPL	
Trade receivables	Loans & Rec.	Amortised cost	228,342
Reinsurance assets (less prepaid reinsurance, IBNR & Reserves)	Loans & Rec.	Amortised cost	269,794
Other receivables (less prepayment)	Loans & Rec.	Amortised cost	160,150
Loans and receivables	Loans & Rec.	Amortised cost	243,369
Statutory deposit	Loans & Rec.	Amortised cost	315,000

FINANCIAL ASSETS	IAS 39 classification	IFRS 9 Classification & measurement	Carrying amount 31-Dec-20
Cash and cash equivalent	Loans & Rec.	Amortised cost	1,041,997
Investment Securities:			
- Fair value through profit or loss	FVTPL	FVTPL	78,436
- Available-for-sale assets:			
Government & corporate bonds	Avail. for sale	FVTOCI	20,000
Tenored deposits with maturity above 90 days	Avail. for sale	FVTOCI	1,259,497
Treasury bills	Avail. for sale	FVTOCI	100,000
Unquoted equity securities	Avail. for sale	FVTOCI	511,799
Financial assets designated at fair value	FVTPL	FVTPL	
Trade receivables	Loans & Rec.	Amortised cost	120,402
Reinsurance assets (less prepaid reinsurance, IBNR & Reserves)	Loans & Rec.	Amortised cost	196,957
Other receivables (less prepayment)	Loans & Rec.	Amortised cost	152,526
Loans and receivables	Loans & Rec.	Amortised cost	133,342
Statutory deposit	Loans & Rec.	Amortised cost	315,000

d. The expected impacts of IFRS 9 adoption on shareholder's funds with the corresponding impact on net income as shown in Table 'a','b' and 'c 'above

2.6.2 Accounting standards and interpretations issued and effectives

The followings revisions to accounting standards and pronouncements were issued and effective at the reporting date.

IFRS 16 Leases

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee acounting, the requirements for lessor accounting have remained tkargely unchanged. However, there are additional disclosures required.

Impact of the new definition of a lease

The Company has made use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to be applied to those contracts entered or modified before 1 January 2019. The change in definition of a lease mainly relates to the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in IAS 17 and IFRIC 4.

The Company applies the definition of a lease and related guidance set out in IFRS 16 to all contracts entered into or changed on or after 1 March, 2019.

Impact on Lessee Accounting

Former operating leases

IFRS 16 changes how the Company accounts for leases previously classified as operating leases under IAS 17, which were off balance sheet.

Former operating leases

a. Recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments exept for short-term leases and leases of low value assets;

b. Recognises depreciation of right-of-use assets and interest on lease liabilities in profit or loss;

c. Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated

2.6.3 New standards an interpretation not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 March, 2019, and have not been applied in preparing these financial statement. They will be adopted by the Company when they become effective. None of these is expected to have significant effect on the financial statements.

IFRS Reference	Title and Affected Standard(s)	Nature of change	Application date	Impact on initial Application
IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts	Insurance Contracts	The new Standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance ontracts and supesede IFRS 4 Insurance Contracts. The Standard outlines a General Model, which is modified for insurance contracts with direct participation features, described as the Variable Fee Approach. The General Model is simplified if certain criteria are met by meauring the liability for remaining coverage using the Premium Allocation Approach	Annual reporting periods befinning on or after 1 January, 2021	The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the financial statements.
		The General Model will use current assumptions to estimate the amount, timing and uncertainty of future cash flows and it will explicitly measure the cost of that uncertainty, it takes into account market interest rates and the impact of policyholders' options and guarantees.		
IFRS 10 and IAS 28	Contribu-tion of Assets between an investor and its Associate or Joint venture	The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.	Yet to be determined	The amendment to the standard will not impact on the Company's financial statements when it becomes effective.

2.7 SIGNIFICANT ACCOUNTING POLICIES

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand and bank, unrestricted balances held with Central Bank, call deposits and short term highly liquid financial assets (including money market funds) with original maturities of less than three months, which are subject to insignificant risk of changes in their value and used by the Company in the management of its short-term commitments.

For the purpose of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents, net of outstanding bank overdrafts and treasury bills with original maturity of less than 3months.

B. FINANCIAL ASSETS

In accordance with IAS 39, all investment securities have to be recognized in the statement of financial position and measured in accordance with their assigned category.

Classification of financial assets

The Company classifies its investment securities into the following categories:

- Fair Value through profit or loss (FVTPL)
- Held to maturity
- Loans and receivables
- Available-for-sale financial assets

Management determines the appropriate classification of its investments at initial recognition.

i. Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include 'financial assets classified as held for trading' or assets designated as such on initial recognition'. Financial assets classified as 'held for trading' are acquired principally for the purpose of selling in the short term. Financial assets designated at fair value through profit or loss are investments the company manages and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy.

Financial assets included in this category are recognized initially at fair value and changes therein including any appreciation/diminution interest or dividend income are recognized in profit or loss. Directly attributable transaction costs are recognized in profit or loss as incurred.

ii. Held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. Where a sale occurs, other than insignificant amount of held-to-maturity assets, the entire category would be tainted and classified as available-for-sale.

iii. Loans and receivables

Loans and receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when Company provides money, goods or services directly to a debtor with no intention of trading the receivables.

iv. Available – For –Sale financial assets (AFS)

This category represents financial assets that are designated as available-for-sale at cost or at fair value but do not include held to maturity investments or loans and receivables. Available-for-sale financial instrument are securities that are intended to be held for an indefinite period of time and which may be sold in response to liquidity needs or in response to changes in market conditions.

Initial recognition and measurement

Investment securities are initially recognized at fair value. Transaction costs except for transaction cost on financial assets fair valued through profit or loss are recognized as part of the carrying amount of the asset.

Subsequent measurement

Held to maturity

Held-to-maturity investments after initial measurement are carried at amortised cost using the effective interest rate method (EIR), less impairment. Gains and losses are recognized in the income statement when the investments are disposed.

Interest on held-to-maturity investments is included in profit and loss and reported as part of "Investment Income". In the case of an impairment, the impairment loss is reported as a deduction in the carrying amount of the asset and recognized in the profit and loss as "impairment losses".

Loans and receivables

Loans, advances and receivables after initial measurement are measured at amortized cost, using the effective interest rate method (EIR) less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR recognized is included in finance income in the income statement.

Loans and receivables on the statement of financial position comprise, "trade receivables". Interest on loans and receivables are included in profit and loss and reported as "investment income". Where the asset is impaired, they are carried on the statement of financial position as a deduction from the carrying amount of the loan and receivable and recognized in profit or loss as "impairment losses".

Available-for-sale financial assets

Changes in the carrying amount of available for sale financial assets are recognized in other comprehensive income and accumulated in the statement of financial position as a separate component of equity under the heading of fair value reserve.
Equity investment that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less any identified impairment losses at the end of each reporting period.

Impairment of financial assets

Financial assets carried at amortised cost

The Company assesses at the end of each reporting period whether there is objective evidence that a financial assets or a group of financial asset is impaired. A financial asset or group of financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the company about the following events:

- significant financial difficulty of the issuer or debtor;
- a breach of contract, such as a default or delinquency in payments;
- it becoming probable that the issuer or debtor will enter bankruptcy or other financial re-organisation;
- the disappearance of an active market for that financial asset because of financial difficulties.

For loans and receivables, the amount of loss is measured at the difference between its carrying value and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If a financial asset

measured at amortised cost has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the income statement.

Available-for-sale financial assets

The Company assesses at the end of each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. In this respect, a decline of 20% or more is regarded as significant, and a period of 12 months or longer is considered to be prolonged. If any such quantitative evidence exists for available-for- sale financial asset, the asset is considered for impairment, taking qualitative evidence into account. The cumulative loss- measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss-is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss equity instruments are not reversed through profit or loss. If in a subsequent period the fair value of a debt instrument classified as available-for-sale increases and the increase can be objective related to event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

De-recognition of investment securities

The Company derecognize investment securities when the contractual rights to the cash flow from the assets expire, or it transfers the rights to receive the contractual cash flow on the investment securities in a transaction in which substantially all the risks and rewards of ownership of the investment securities are transferred, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria. Any interest in transferred investment securities that is created or retained by the Company recognized as a separate asset or liability.

C. TRADE RECEIVABLES

Trade receivables are recognized when due. These include amounts due from agents, brokers and insurance contract holders. Trade receivables are stated at cost less impairment.

The Company assesses at each reporting date whether there is objective evidence that a trade receivable is impaired. If there is objective evidence that the trade receivable is impaired, the carrying amount of the trade receivables is reduced accordingly through an allowance account and recognized as impairment loss in income statement. Allowance for impairments are made based on an impairment model (incurred loss model) which considers the loss given default for each customer, the probability of default for the group of debtors and the age of the debt. Impaired debts are derecognized when they are assessed as uncollectible.

D. REINSURANCE ASSETS

The Company cedes business to reinsurers in the normal course of business for the purpose of limiting its net loss potential through the transfer of risks. Premium ceded comprise gross written premiums. Reinsurance arrangements do not relieve the company from its direct obligations to its policyholders.

Reinsurance assets are recognized when the related gross insurance claim is recognized according to the terms to the relevant contract. The Company has the right to set off reinsurance payables against amounts due from reinsurers and brokers in line with the agreed arrangement between both parties.

E. OTHER RECEIVABLES

Other receivables are made up of prepayments. These are carried at cost less impairment losses.

F. DEFERRED ACQUISITION COSTS

Commissions earned and payable are recognized in the period in which relevant premiums are written. A proportion of commission payable is deferred and amortised over the period in which the related

premium is earned. Deferred acquisition costs represent the proportion of acquisition costs which corresponds to the unearned premium and are deferred as an asset and recognized in the subsequent period.

G. INVESTMENT PROPERTIES

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes.

Recognition and measurement

Investment properties are initially measured at cost, including all transaction costs. Subsequently, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value are included in the income statement in the period in which they arise. Fair values are evaluated annually by an accredited external valuer.

De-recognition

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the income statement in the period of de-recognition and surplus previously recorded in equity is transferred to retained earnings.

Transfers

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change. Subsequently, the property is re-measured to fair value and reclassified as investment property.

H. INTANGIBLE ASSETS

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software is stated at cost less amortization and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Costs associated with maintaining computer software programmes are recognized as an expenses as incurred.

Amortization

Computer software acquisition costs recognized are amortised over their estimated useful lives of four years using the straight line method.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in income statement.

I. PROPERTY AND EQUIPMENT

Recognition and measurement

Land and buildings comprise mainly outlets and offices occupied by the company. Land is carried at cost

All other property and equipment are recorded at cost less accumulated depreciation and accumulated impairment charges.Historical cost includes borrowing cost and all other expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is propable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during thefinancial period in which they are incurred.

Assets under construction

All capital expenditure is initially recognised as assets under construction if it is probable that the company will derive future economic benefits from them and the amount can be measured reliably. They are measured at historical cost. They are not depreciated.When the assets are ready for use, they are transferred at the historical cost to property, plant and equipment, which is also when the depreciation at the expense of the income statement commences.

Depreciation

Depreciation is provided on a straight line basis so as to allocate the cost/revalued amounts less their residual values over the estimated useful lives of the assets. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is de-recognized or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The estimated useful lives for the current and comparative periods are as follows:

Computer hardware	4 years
Furniture and office equipment	4 years
Motor vehicles	5 years
Library books	50 years
Computer software	4 years

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of the reporting period.

De-recognition

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement of the year the asset is derecognized.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are included in income statement.

J. STATUTORY DEPOSITS

Statutory deposits are cash balances held with Central Bank of Nigeria and are only available to the Company upon liquidation of the Company. They have been separately disclosed due to their nature and liquidity. They represent 10% of the minimum capital requirement of the Company as stipulated by Section 10(3) of the Insurance Act of 2003. Statutory deposits are measured at cost.

K. INSURANCE CONTRACTS

Classification

IFRS 4 requires contracts written by insurers to be classified as either' insurance contracts' or 'investment

contracts' depending on the level of insurance risk transferred.

The Company issues contracts that transfer insurance risk or financial risk or both.

Insurance Contracts

Insurance contracts are those contracts where a party (the policy holder) transfers significant insurance risk to another party (insurer) and the latter agrees to compensate the policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder, or other beneficiary. Such contracts may also transfer financial risk when the insurer issues financial instruments with a discretionary participation feature.

A number of insurance and investment contracts contain a discretionary feature which entities the holder to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:

- That is likely to be a significant portion of the total contractual benefits.
- Whose amount or timing is contractually at the discretion of the Company; and
- That are contractually based on:
  - The performance of a specified pool of contracts or a specified type of contract
  - Realized and /or unrealized investment returns on a specified pool of assets held by the company
  - The profit or loss of the company, fund or other entity that issues the contract.

Insurance contracts and investment contracts are classified into two main categories, depending on the duration of risk and whether or not the terms and conditions are fixed. Long-term Insurance Business (i.e Long-term insurance with fixed and guaranteed terms, and Long-term insurance contracts without fixed terms and with DPF) includes insurance business incidental to any such class of business.

Short term insurance contracts

General Insurance Business

General Insurance Business means insurance business of any class or classes not being long term insurance business. Classes of General Insurance include:



For all these contracts, premiums are recognized as revenue proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risk at the end of reporting date is reported as the unearned premium liability.

Premiums are shown before deductions of commissions and are gross of any taxes or duties levied on premiums.

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by contract holders.

Recognition and Measurement of Insurance Contracts

Premium income is recognized on assumption of risks. For long term insurance business, premiums are recognized as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission and are gross of any taxes.

For short term insurance business, premium income is recognized on assumption of risks, and includes estimates of premiums due but not yet received, less an allowance for cancellations, and less unearned premium.

Gross Premium

Gross written premiums comprise the premiums on insurance contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. These are shown gross of any taxes or duties levied on premiums.

Gross Premium earned

Gross premium earned includes estimates of premiums due but not yet received, less unearned premium.

Reinsurance

Premiums, losses and other amounts relating to reinsurance treaties are measured over the period from inception of a treaty to expiration of the related business. The actual profit or loss on reinsurance business is therefore not recognized at the inception but as such profit or loss emerges. In particular, any initial reinsurance commissions are recognized on the same basis as the acquisition costs incurred.

Premiums ceded, claims recovered and commission received are presented in the Income Statement and Statement of Financial Position separately from the gross amounts.

Amounts recoverable under reinsurance contracts are assessed for impairment at each reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Company may not recover all amounts due under the contract terms and that the event has a reliably measurable impact on the amounts the Company will receive from the reinsurer.

Claims and policy holder benefits payable

For long term insurance business benefits are recorded as an expense when they are incurred. Claims arising on maturing policies are recognized when the claims become due for payment. Death claims are accounted for on notification. Surrenders are accounted for on payment.

For general insurance business, claims incurred comprise claims paid and claims handling expenses paid during the financial year and changes in the provision for outstanding claims. Claims paid represent all payments made during the year, whether arising from events during that or earlier years.

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contact holders or third parties damaged by the contract holders.

Salvage and Subrogation Reimbursement

Some insurance contracts permit the Company to sell (usually damaged) property acquired in settling a claim (for example salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example subrogation).

Salvaged property is recognized in other assets when the amount that can reasonably be recovered from

the disposal of the property has been established and salvage recoveries are included as part of claims recoveries. Subrogation reimbursements are recognized in claim recoveries when the amount to be recovered from the liable third party has been established.

L. INSURANCE CONTRACTS LIABILITIES

This represents the Company's liabilities to the policy holders. It comprises the unearned premium, outstanding claims and the incurred but not reported claims. At the end of each accounting period, this liability is reflected as determined by the actuarial valuation report.

Unearned premium provision

The provision for unearned premiums represents the proportion of premiums written in the periods up to the accounting date that relates to the unexpired terms of policies in force at the end of reporting date. This is estimated to be earned in subsequent financial periods, computed separately for each insurance contract using a time apportionment basis.

Reserve for unearned risk

A provision for additional unearned risk reserve is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses exceed the unearned premium provision.

Reserve for outstanding claims

Outstanding claims represent the estimated ultimate cost of settling all claims arising from incidents occurred prior to the end of reporting date, but not settled at that date.

Reserve for incurred but not reported claims (IBNR)

A provision is made for claims incurred but not yet reported as at the end of the financial year. This provision is based on the liability adequacy test report.

Liability Adequacy Test

At the end of each reporting period, Liability Adequacy Tests are performed to ensure that material and reasonably foreseeable losses arising from existing contractual obligations are recognized. In performing these tests, current best estimate of future contractual cash flows, claims handling and administration expenses, investment income backing such liabilities are considered. Long-term insurance contracts are measured based on assumptions set out at the inception of the contract. Any deficiency is charged to income statement by increasing the carrying amount of the related insurance liabilities.

Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a basis or to realize the asset and settle the liability simultaneously.

M. TRADE PAYABLES

Trade payables are recognized when due. These include amount due to agents, brokers and insurance contract holders. Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is omitted.

Provisions, contingent liabilities and assets

Provisions are liabilities that are uncertain in amount and timing. A provision is recognized if, as a result of a past event, the Company has a present obligation that can be reliably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. If the effect

of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or the Company has a present obligation as a result of past event. It is not recognized because it is not likely that an outflow of resources will be required to settle the obligation or the amount cannot be reliably estimated. Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to occur.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are never recognized as assets in the statement of financial position but may be disclosed if they are likely to eventuate.

N. OTHER PAYABLES

Other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest rate method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is omitted.

O. TAXATION

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken into tax returns with respect to situations in which applicable tax regulation is subjected to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting period date and are expected to apply when the related deferred income tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by same taxation authority where there is an intention to settle the balances on a net basis.

P. SHARE CAPITAL AND RESERVES

Share Capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity are deducted from the initial measurement of the equity instruments.

Share premium

This represents the excess amount paid by shareholders on the nominal value of the shares. This amount is distributable to the shareholders at their discretion. The share premium is classified as an equity instrument in the statement of financial position.

Statutory contingency reserve

The Company maintains contingency reserves for the non-life business in accordance with the provision

of S. 21 of the Insurance Act 2003 to cover fluctuations in securities and valuations in statistical estimates at the rate equal to the higher of 3% of total premium or 20% of the total profit after taxation; until the reserve reaches the greater of minimum paid up capital or 50% of net premium.

General reserves

The reserve comprises of undistributed profit/(loss) from previous years and the current year. It also includes investment revaluation reserves and assets revaluation reserves. General reserves are classified as part of equity in the statement of financial position.

Dividend

Dividends on ordinary shares are recognized and deducted from equity when they are approved by the company's shareholders, while interim dividends are deducted from equity when they are paid. Dividends for the year that are approved after the reporting date are disclosed as an event after reporting date.

Q. INVESTMENT CONTRACT

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Financial risk is the risk of a possible change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

R. REVENUE RECOGNITION

Insurance Premium Revenue

The revenue recognition policy relating to insurance contracts is set out under note 2.7k

Interest Income

Interest income for interest bearing financial instruments, recognized within 'investment income' in the income statement using the effective interest rate method. The effective interest rate is the rate that exactly discount the estimated future cash payments and receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the net carrying amount of the financial asset. The effective interest rate is calculated on initial recognition of the financial asset and is not revised subsequently.

Dividend Income

Dividend income is recognized in profit or loss when the Company's right to receive payment is established.

Other Income

Other income represents income generated from sources other than premium revenue and investment income. Income is recognized when payment is received.

S. FEES AND COMMISSION INCOME

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future period, then they are deferred and recognised over those future periods.

T. EXPENSES RECOGNITION

Underwriting expense

Underwriting expense include acquisition costs and maintenance expense. Acquisition costs comprise all direct and indirect costs associated with the writing of insurance contracts. These include

commission expenses and other technical expenses. Maintenance expenses are expenses incurred in servicing existing policies. All underwriting expenses are charged in consonance with the period of insurance cover from which they accrue.

Interest

Interest expense for interest bearing financial instruments, are recognized within 'interest expense' in the income statement using the effective interest rate method. The effective interest rate is the rate that exactly discount the estimated future cash payments and receipts through the expected life of the financial liability (or, where appropriate, a shorter period) to the net carrying amount of the financial liability. The effective interest rate is calculated on initial recognition of the financial liability and is not revised subsequently.

Management expenses

Management expenses are charged to profit or loss when the goods are received or services rendered. They are expenses other than claims, investments and underwriting expenses and include employee benefits, depreciation charges and other operating expenses.

U. SEGMENT REPORTING

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions. For management purpose, the company is organized into business units based on the products and services offered and have one reportable operating segment which is non – life business.

Non-life Business is the non-life insurance products which includes motor, fire, general accident, engineering, bond, marine and oil and gas.

V. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary share in issue during the year excluding ordinary shares purchased by company and held as treasury shares, diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31st DECEMBER 2020

ASSETS	Note	2020 N'000	2019 N'000
Cash and Cash equivalents	6	1,233,572	1,041,997
Financial Assets:			
- At fair value through profit or loss	7	95,421	78,436
- Held to maturity	8	2,168,762	1,379,497
- Available for sale	9	549,463	511,799
- Loans and Receivables	10	243,369	133,342
Trade Receivables	11	228,342	120,402
Reinsurance Assets	12	269,794	196,957
Other Receivables and Prepayments	13	178,372	186,582
Deferred Acquisition Costs	14	80,267	69,520
Investment Properties	15	7,355,102	2,533,542
Intangible Assets	16	35,210	30,981
Property and Equipment	17	792,677	652,825
Statutory Deposits	18	315,000	315,000
Total Assets		13,545,350	7,250,879
LIABILITIES			
Insurance Contract Liabilities	19	1,445,116	987,587
Trade Payables	20	346,520	28,853
Other Payables	21	151,268	253,888
Deposit for Shares	21.4	5,467,880	-
Borrowings	22	159,572	263,303
Income Tax Liabilities	23	148,456	253,220
Deferred Tax Liabilities	24	157,361	152,549
Total Liabilities		7,876,172	1,939,400
EQUITY			
Share Capital	25	2,245,000	2,245,000
Share Premium	26	355,200	355,200
Contingency Reserves	27	1,228,444	1,025,543
Retained Earnings	28	1,494,699	1,350,903
Other reserves	29	345,834	334,832
Shareholders' Funds		5,669,178	5,311,479
TOTAL LIABILITIES AND EQUITY		13,545,350	7,250,879

The financial statements were approved by the board of directors on 26th May, 2021 and signed on its behalf by:

Dr. Elijah Akpan
Chairman
FRC/2017/IODN/00000016127

Augustine Osegha Ebose
Managing Director
FRC/2019/IODN/00000019370

Linda Okoh
Accountant
FRC/2021/001/00000022647

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31st DECEMBER 2020

	Note	2020 N'000	2019 N'000
Gross Premium Written		6,763,375	4,192,606
Changes in Unearned Premium		(238,024)	(80,007)
Gross Premium Income		6,525,352	4,112,599
Reinsurance Expense	31	(1,278,126)	(676,318)
Net Premium Income	30	5,247,225	3,436,280
Fee and Commission Received	32	141,426	100,201
Underwriting Income		5,388,651	3,536,481
Claims Expense	33	(1,342,744)	(929,560)
Underwriting Expenses	34	(1,885,204)	(903,241)
Total Underwriting Expenses		(3,227,948)	(1,832,801)
Total Underwriting Result		2,160,703	1,703,680
Investment Income	35	139,992	216,031
Gains/(loss) on revaluation of investment properties	36	-	140,048
Gains/(loss) on assets at fair value	36	16,985	(18,847)
Exchange differences on held to maturity	8	3,200	-
Other Operating Income	37	20,778	27,196
Net Operating Income		2,341,658	2,068,107
Management Expenses	38	(2,005,113)	(1,787,363)
Profit Before Tax		336,545	280,744
Income Tax (Expenses)/Credit	39	99,952	(60,560)
Profit After Taxation		436,497	220,184
Profit for the year		436,497	220,184
Other comprehensive income:			
Items that may be subsequently reclassified to the profit or loss account:			
Exchange differences on available for sale	9.2	37,664	26,683
Gain/(Loss) on available-for-sale financial assets net of taxes	36.1	-	93,893
Items within OCI that will not be reclassified to the profit or loss:			
Loss on disposal of revalued asset	29	(26,662)	(20,779)
Other comprehensive income		11,002	99,797
Total comprehensive income for the year		447,499	319,981
Earnings per share (EPS) for profit attributable to the equity holders of the company			
Basic (kobo)		19.44	9.81

The results shown above for both 2020 and 2019 relate to continuing operations.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31st DECEMBER 2020

	Share Capital N'000	Share Premium N'000	Contingency Reserves N'000	Retained Earnings N'000	Fair value reserve on Available for sale financial assets N'000	Asset Revaluation reserve N'000	Foreign Exchange	Total N'000
Balance at 1 January 2020	2,245,000	355,200	1,025,543	1,350,903	136,462	171,687	26,683	**5,311,479**
Comprehensive Income for the year:								
Profit after tax	-	-	-	436,497				**436,497**
Share increase costs								-
Transfer to contingency reserves	-	-	202,901	(202,901)				-
	-	-	202,901	233,596	-	-	-	**436,497**
Dividend approved to equity holders				(89,800)				**(89,800)**
Other comprehensive income:								-
Exchange difference on available for sale							37,664	**37,664**
Loss on disposal of revalued asset						(26,662)		**(26,662)**
Revalued of property, plant & equipment	-	-	-			-		-
Net gain/loss on Financial asset availale for sales								-
Deferred tax					-	-		-
Total transactions with owners	-			(89,800)	-	(26,662)	37,664	**(78,798)**
Balance at 31 December, 2020	**2,245,000**	**355,200**	**1,228,444**	**1,494,699**	**136,462**	**145,025**	**64,347**	**5,669,178**

	Share Capital N'000	Share Premium N'000	Contingency Reserves N'000	Retained Earnings N'000	Fair value reserve on Available for sale financial assets N'000	Asset Revaluation reserve N'000	Foreign Exchange	Total N'000
Balance at 1 January 2019	2,245,000	475,200	899,765	1,301,398	42,569	192,466	192,466	**5,156,398**
Comprehensive Income for the year:								
Profit after tax	-	-	-	220,184				**220,184**
Share increase costs		(120,000)						**(120,000)**
Transfer to contingency reserves	-	-	125,778	(125,778)				-
	-	(120,000)	125,778	94,406	-	-	-	**100,184**
Dividend approved to equity holders				(44,900)				**(44,900)**
Other comprehensive income:								-
Exchange difference on available for sale							26,683	**26,683**
Loss on disposal of revalued asset						(20,779)		**(20,779)**
Revalued of property, plant & equipment	-	-	-			-		-
Net gain/loss on Financial asset available for sales					134,133			**134,133**
Deferred tax					**(40,240)**	-		**(40,240)**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31st DECEMBER 2020

	Note	2020 N'000	2019 N'000
Cash Flows from Operating Activities			
Premium received from policy holders		6,655,435	4,245,510
Commission received	32	141,426	100,201
Reinsurance receipts in respect of claims		142,242	101,359
Cash paid to and on behalf of employees	38	(429,042)	(637,285)
Re-insurance premium paid		(1,338,831)	(677,950)
Maintenance expenses paid	34	(565,438)	(289,041)
Acquisition expenses paid		(1,330,514)	(648,057)
Prepayment (Rent)	13	(18,221)	(34,057)
Net receipts/payments for other services & suppliers		(86,306)	(42,998)
Premium received in advance	21.1	328,994	-
Other operating cash payments	38(iii)	(1,270,278)	(936,405)
Claims paid		(1,288,940)	(929,425)
Company income tax paid	23	-	(17,468)
Net cash provided by operating activities		940,528	234,384
Cash Flow From Investing Activities			
Purchase of fixed assets	17	(423,708)	(274,402)
Purchase of intangible assets	16	(18,965)	(19,845)
Advance payment for renovation of Office Building	13	-	(39,513)
Placement during the year (HTM)	8	(886,065)	(270,574)
Disposal of Treasury Bills	8	100,000	40,000
Proceeds from the disposal of assets	29.1	4,281	1,910
Loan advance	10	(130,767)	(133,174)
Receipt from Loan	10	20,740	8,236
Improvement cost on Investment Property	15	(21,559)	(62,052)
Investment income and other receipts	35,37	160,770	230,471
Net Cash provided by investing activities		(1,195,273)	(518,943)
Cash flows from financing activities			
Share issue cost paid during the year	26	-	(120,000)
Receipt on deposit for shares	30	667,880	-
Addition to loan	22	59,137	298,450
Repayment of loan	22, 23	(173,869)	(49,917)
Dividend paid		(106,828)	(14,402)
		446,320	114,131
Net increase/(decrease) in cash and cash equivalents		191,575	(170,428)
Cash and cash equivalents at 1 January		1,041,997	1,212,425
Cash and cash equivalent as at 31 December	6	1,233,572	1,041,997

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factor

The Company's business activities expose it to a variety of financial risk (including foreign exchange, interest rate, and price), credit risk and liquidity risk. The objective of the Company's risk management programmes to minimize potential adverse impacts on the Company's financial performance.

Risk management is carried out in line with policies approved by the board of directors. The board provides written principles for overall risk management, as well as set the overall risk appetite for the Company. Specific risk management approaches are defined for respective risks such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. The company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is the responsibility of the Treasury manager, which aims to effectively manage the financial risk of Anchor insurance, according to the policies approved by the Board of Directors. The treasury manager identifies and monitors financial risk. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange, interest rates and credit risks, use of financial instruments and investment of excess liquidity.

The Company's financial instruments consist of financial assets at fair value through profit or loss, available- for-sale financial assets, trade and other receivables and trade and other payables and cash and cash equivalents.

a. Market Risk

This is the risk that the value of investment will decrease due to movements in the market factors. Such movement may be accessioned market factors (volatilities) that are directly related to an individual investment and /or systematic risk.

i. Foreign exchange risk

Foreign exchange risk is a potential risk of loss of an asset value held in foreign currency due to changes in currency exchange rates. The company enters into most of its transactions are in Naira which is also the functional currency. The company is therefore not exposed to any material foreign exchange risk. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

ii. Price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position either as available-for-sale or at fair value through profit or loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

If the all-share index of NSE moves by 100 basis point at 31 December 2020, the effect on the fair value of these quoted securities on post-tax profit for the year would increase/decrease by N937 million (2019: N0.937million) as a result of gains/losses on equity securities classified at fair value through profit or loss. Other comprehensive income would increase/decrease as a result of gains/losses on equity securities classified as available for sale.

Sensitivity analysis	Value of Equity	1% increase in Equity Price	Impact on Profit
December 31, 2020	95,420	954	954
December 31, 2019	78,436	784	784

Sensitivity analysis	Value of Equity	1% decrease Equity Price	Impact on Profit
December 31, 2020	95,420	(954)	(954)
December 31, 2019	78,436	(784)	(784)

iii. Interest rate risk

The Company is not exposed to interest rate risk as it does not hold any borrowings.

b. Credit risk

This risk arises from the default of a counterparty to fulfill its contractual obligation. Being an insurance Company non- remittance of premium after the required thirty (30) days period available to Insurance Brokers as stipulated by NAICOM's premium collection and remittance guidelines and the possibility of default by counterparties on investments placed with corporate entities, could result in cash flow shortages.

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Company uses policies to ensure that sales of product are to customers with appropriate credit history. The granting of credit is controlled by credit limits and the application of certain terms of sale. The continuous credit worthiness of the existing customers is monitored periodically based on history of performance of the obligations and settlement of their debt. Appropriate provision for impairment losses is made for specific credit risks. At the year end, Anchor insurance considered that there were no material credit risks that had not been covered by doubtful debt provisions.

No credit limits were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties. None of the counterparties renegotiated their terms in the reporting period.

The maximum exposure to credit risk for trade receivables approximates the amount recognized on the statement of financial position. The Company does not hold any collateral as security.

In measuring credit risk, the Company considered three models:

- The Probability of Default (PD), the likelihood that the insured will fail to make full and timely payment of financial obligations.
- The Exposure At Default (EAD) is derived from the Company's expected value of debt at the time of default.
- The Loss Given Default (LGD) which state that the amount of the loss if there is a default, expressed as a percentage of the (EAD)

Impairment Model

Premium debtors, which technically falls under receivables is recognised at fair value and subsequently measured at amortised cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. The standard favours

the use of the incurred loss model in estimating the impairment of its receivables.

Following the provisions of IAS 39, the impairment of the premium debtors will be assessed at two different levels; individually or collectively. The premium debt of the Company will be assessed for impairment using the incurred loss model adapted for insurance business.

The model used is defined thus:

Impairment loss = EP * LGD * EAD *PD

Where: EP is Emergency Period
LGD is Loss Given Period
EAD is Exposure at Default; and
PD is 1-year Probability of Default

Credit Quality

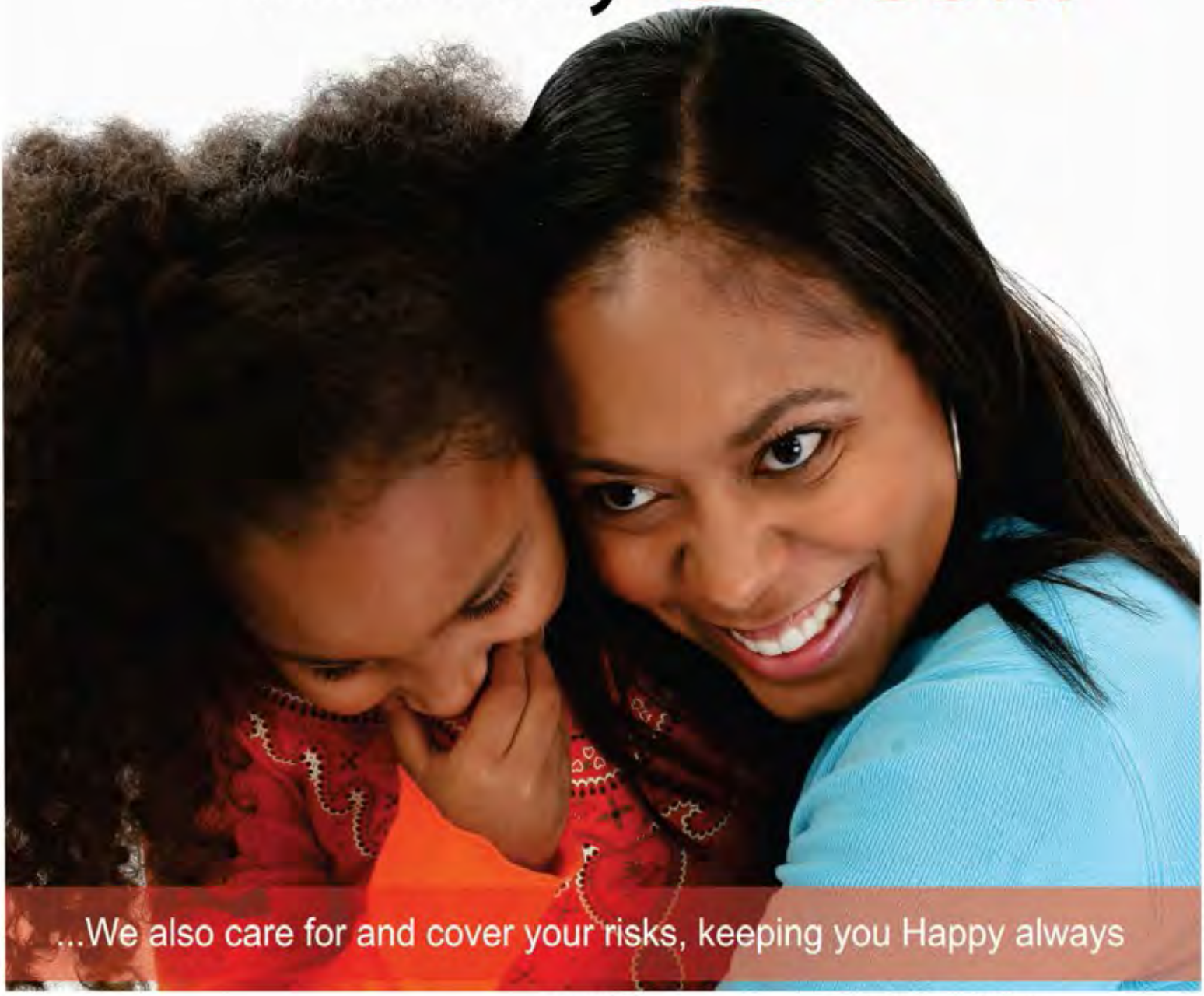
The Company loan and receivables has no collateral as security and other credit enhancements, thus the Company has no loan or receivables that are past due but not impaired.

Insurance receivables are to be remitted by the Registered Insurance Brokers to Company after the permissible thirty (30) days grace period as mandated by NAICOM. As a result the carrying amount is not significantly different from the fair value.

December 31, 2020	Significant Non Impaired N'000	Significant Impaired N'000	Non Significant Non Impaired N'000	Non Significant Impaired N'000
Financial assets:				
Cash and cash equivalents (Note 6)	1,233,572	-	-	-
Held to maturity investment securities (Note 8)	2,168,762	-	-	-
Available for sale investment security (Note 9)	549,463	-	-	-
Trade receivables (Note 11)	228,342	-	-	-
Reinsurance receivables (Note 12)	269,794	-	-	-
Staff debtors (Note 10)	243,369	-	-	-
	4,693,301	-	-	-

December 31, 2019	Significant Non Impaired N'000	Significant Impaired N'000	Non Significant Non Impaired N'000	Non Significant Impaired N'000
Financial assets:				
Cash and cash equivalents (Note 6)	1,041,629	-	368	-
Held to maturity investment securities (Note 8)	2,168,762	-	-	-
Available for sale investment security (Note 9)	511,799	-	-	-
Trade receivables (Note 11)	120,402	-	-	-
Reinsurance receivables (Note 12)	196,957	-	-	-
Staff debtors (Note 10)	120,000	-	13,710	-
	3,370,284	-	14,078	-

Just The Way Mummy Cares...



Get Anchor Insurance services today!

SERVICES

Special Risk/Oil & Gas
Energy & Telecommunication
Property Insurance
Liability Insurance
Bond/Sureteeship
General Insurance Business
Loss of Employment Insurance Scheme
Agriculture Insurance
Travel Insurance

OTHER SERVICES

Risk Management Advisory
Investment & Financial Advisory
Private Funds Management

ANCHOR INSURANCE
Company Limited
RIC: 005 RC: 132269
...where insurance works.

NAICOM/CA/ADV/2014/1208

Plot 21, Ahmed Onibudo Street, Victoria Island, Lagos +234 1 342 5908, +234 1 454 0100
www.anchorinsuranceng.com info@anchorinsuranceng.com anchor.insuranceng @anchorng anchorinsuranceng

c. Liquidity Risk

The characteristics nature of our business requires adequate cash flow to meet our contractual obligations in the event of claim settlement. This is the risk loss arising due to insufficient liquid assets to meet Cash flow requirements or to fulfill financial obligation once claims cystalise.

Liquidity risk is managed by maintaining sufficient cash reserves to operational needs at all times so that the Company does not breach financial obligation once claims crystallise. The company manages liquidity risk by effective working capital and cash flow management.

Anchor Insurance Company Limited invests its surplus cash in interest yielding accounts.

The table below analyses the Company's financial liabilities and into relevant maturity based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2020	Up to 90 days N'000	91 - 180 days N'000	Over 180 days N'000	Total N'000
Financial liabilities				
Trade payables	346,520	-	-	346,520
Other payables	151,268	-	-	151,268
	497,787	-	-	497,787

At 31 December 2019	Up to 90 days N'000	91 - 180 days N'000	Over 180 days N'000	Total N'000
Financial liabilities				
Trade payables	28,853	-	-	28,853
Other payables	253,888	-	-	253,888
	282,741	-	-	282,741

3.2 Capital Risk Management

The primary source of capital used by the company is equity shareholders' funds. The Company's capital management strategy focuses on the creation of shareholders' value while meeting the crucial and equally important objective of providing an appropriate level of the capital to protect stakeholders' interest and satisfy regulators.

The adequacy level of capital determines the degree of confidence that stakeholders (suppliers, client, investors, depositors and counterparties) would have in a business.

As a result, the Company ensures that adequate capital exist to buffer the following:

- Absorb large unexpected losses
- Protect clients and other creditors
- Provide confidence to external investors and rating agencies
- Support a good credit rating ; and
- Run operations of the Company efficiently and generate commensurate returns

The capital management process is governed by the board of directors who has ultimate responsibility for the capital management process. The board of directors is supported by the ERM Committee and finance and general purpose committee whom all have various input into the capital management process.

The capital management process involves establishing the methodology for determining and maintaining an appropriate quantity and quality of capital and solvency. The capital adequacy and solvency regime comprises the:

- Requirement on assets, including requirements for valuation of assets and regulatory distribution of assets.
- Definition of appropriate forms of capital; and
- Required solvency margin.

Management uses regulatory capital ratios to monitor its capital base. The allocation of capital between specific operations and activities is to a large extent driven by optimization of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital, but in some cases the regulatory requirements do not fully reflects the varying degree of the risk associated with different activities. In such cases, the capital requirement may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes.

The make-up of the Company's capital in 2020 compared with 2019 financial year is as follows:

	2020 N'000	2019 N'000
Share Capital	2,245,000	2,245,000
Share premium	355,200	355,200
Contingency Reserves	1,228,444	1,025,543
Retained Earnings	1,494,699	1,350,903
Other reserves	345,834	334,832
	5,669,178	**5,311,479**

The table below summaries the minimum required capital for the Company and the regulatory capital held against it.

Regulatory Capital held	**5,669,178**	5,311,479
Minimum regulatory capital	**3,000,000**	3,000,000

Given the above, the Company has complied with the external capital requirements.

he Company's objectives with respect to capital management are to maintain a capital base that is structured to exceed regulatory and to best utilize capital allocations. Insurance industry regulator measure the financial strength of non-life insurer using a solvency margin model.

NAICOM generally expect non-life insurers to comply with this capital adequacy requirement. Section 24 of the Insurance Act 2003 defines Solvency Margin of a non-life insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of Net Premium Income (Gross Premium Income less Re-Insurance Premium paid) or the minimum capital base (N3 billion) whichever is higher.

This test compares insurers' capital against the risk profile. The regulator indicated that insurers should produce minimum solvency margin of 100%. During the year, the Company has consistently exceeded this minimum. The regulator has the authority to request more extensive reporting and can place restrictions on the Company's operations if the Company falls below this requirement as deemed necessary.

The solvency margin for the Company as at 31 December 2020 and 2019 are as follows:

Admissible assets:	Total N'000	Inadmissible N'000	Admissible 2020 N'000	Total N'000	Inadmissible N'000	Admissible 2019 N'000
Cash and cash equivalents	1,233,572		1,233,572	1,041,997		1,041,997
Financial assets:						
-At fair value through profit or loss	95,420		95,420	78,435		78,435
- Held to maturity	2,168,762		2,168,762	1,379,497		1,379,497
- Available for sale	549,463		549,463	511,799		511,799
- Loan & receivables (Staff loan)	243,369		243,369	133,342		133,342
Trade receivable	228,342		228,342	120,402		120,402
Reinsurance assets	269,794		269,794	196,957		196,957
Other receivables and prepayments	178,371	(178,371)	-	186,582	(186,582)	-
Deferred acquisition cost	80,267		80,267	69,520		69,520
Investment property	7,355,101	(6,108,301)	1,246,800	2,533,542	(1,286,742)	1,246,800
Intangible assets	35,210		35,210	30,981		30,981
Property, Plant & Equipment	792,677	(421,015)	371,662	652,825	(126,520)	526,305
Statutory Deposit	315,000		315,000	315,000		315,000
	13,545,348	(6,707,687)	6,837,661	7,250,879	(1,599,844)	5,651,034
Admissible liabilities						
Insurance contract liabilities	1,445,116		1,445,116	987,587		987,587
Trade Payables	346,520		346,520	28,853		28,853
Provisions and other payables	151,268		151,268	253,888		253,888
Deposit for Shares	5,467,880	(4,800,000)	667,880	-		-
Borrowings	159,572		159,572	263,303		263,303
Income tax liabilities	148,456		148,456	253,220		253,220
Deferred tax liabilities	157,361	(157,361)	-	152,549	(152,549)	-
	7,876,172	(4,957,361)	2,918,811	1,939,400	(152,549)	1,786,851
Excess of admissible assets over liabilities (Solvency Margin)	5,669,176	(1,750,326)	3,918,850	5,311,479	(1,447,296)	3,864,183
The higher of:						
Test I '-15% of Net Premium Income (15% of N3,505,098)	787,084			525,765		
Test II -Minimum capital base	3,000,000		3,000,000	3,000,000		3,000,000
Surplus of Solvency			918,850			864,183
Solvency ratio (%)			131			129

3.3 Fair value of financial assets and liabilities

a. Financial Instruments Not Measured at Fair Value

	At 31 December 2020		At 31 December 2019	
Financial assets	Carrying value N'000	Fair value N'000	Carrying value N'000	Fair value N'000
Cash and bank balances	1,233,572	1,233,572	1,041,997	1,041,997
Held to maturity financial assets	2,168,762	2,168,762	1,379,497	1,141,408
Trade receivables (premium debtors)	228,342	228,342	120,402	172,396
Reinsurance assets	269,794	269,794	196,957	196,957
Staff debtors	243,369	243,369	133,342	7,774
Available for sale financial assets:				
Anchor HMO	100,000	100,000	100,000	100,000
Statefarm Investment Limited	110,000	110,000	110,000	110,000
WAICA Re	339,463	339,463	301,799	301,799
	4,693,301	4,693,301	3,383,993	3,072,332
Financial liabilities				
Trade payables	346,520	346,520	28,853	28,853
Other payables	151,268	151,268	253,888	253,888
	497,787	497,787	282,741	282,741

b. Fair Value Hierarchy

The Company's accounting policy on fair value measurements is discussed under note 2.7(b)

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by evaluation technique.

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs (level 3)

c. Fair Value Method and Assumptions

i. Cash and bank balances

Cash and bank balances represent cash held with banks of the various jurisdictions in which the Company operates. The fair value of these balances is their carrying amounts.

ii. Trade receivables

Trade receivables from premium debtors represent balances with brokers and insurance agents and items in the course of collection. They are carried at cost net of impairment. The carrying amount is a reasonable approximation of fair value because they are short term in nature.

iii. Other receivables

Other receivables are staff debtors which are carried at amortised cost net of impairment. The

fair value of loans and advances represent an estimation of the value of the loans using average benchmarked lending rates which were adjusted to reflect the fair value of the employee benefit. The rates used were obtained from the industry rates published by the Central Bank of Nigeria.

The following table presents the Company's assets that are measured at fair value at 31 December 2020.

Assets	Level 1	Level 2	Level 3
Bank placements	2,106,912	-	-
Financial assets at fair value through profit or loss		-	-
- Listed equity	95,421		
Total assets	**2,202,333**	**-**	**-**

The following table presents the Company's assets that are measured at fair value at 31 December 2019.

Assets	Level 1	Level 2	Level 3
Bank placements	1,259,497	-	-
Financial assets at fair value through profit or loss		-	-
- Listed equity	78,436		
Total assets	**1,337,933**	**-**	**-**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry, Company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily NSE equity investments classified as trading securities or available for sale.

The fair value of financial instruments that are not traded in an active market (for example, unquoted equities) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. For unquoted equities where the fair value cannot be reliably estimated, they are carried at cost.

Unquoted equities where the fair value cannot be reliably determined are carried at cost.

3.4 Management of Insurance Risk

The Company issues contracts that transfer insurance risk. This section summarises the nature and management of these risks. The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and

provisioning, the principal risk that the company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Anchor Insurance holds the license of General Insurance business which allows the Company to underwrite all classes of insurance other than life insurance. As at December 31, 2020 the main classes of business underwritten by the Company include:

1. All classes of motor vehicle insurance.
2. Marine cargo and Hull Insurance
3. Aviation Insurance
4. Fire & Allied Peril Insurance
5. Burglary and House Breaking Insurance
6. All classes of Oil & Gas Insurance
7. All classes of Bonds & Suretyship
8. Engineering & Telecommunication Insurance
9. General Accident and Micro Insurance
10. Employers & Directors Liability Insurance
11. Space Insurance

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of of risk.

a. Underwriting risk

Businesses brought in by marketers are accessed in the context of the risk exposures and the premium to be paid by the underwriting department under technical division. The Company has established risk appetites within all classes of insurance under its Enterprise Risk Management programme. Once a risk is accepted and rated it goes through a process of generating debit note and receipt for payment of the premium due from underwriting department to the finance department using its comprehensive insurance software called Easy Policy.Net. When a risk is accepted above our net capacity the reinsurance department is alerted for a proper reinsurance of the risk.

Underwriting risk relates mainly to the uncertainty that the insured event will occur. The nature of an insurance contract is that the timing and size of claims are uncertain and therefore unpredictable. The principal underwriting risk is the risk that the actual outcome of mortality, morbidity and medical claims will result in volatile profits from one year to the next. Such volatility may result from large concentrations of risk or from charging inadequate premiums relative to the severity or incidence of the risk accepted. Inadequate policy wording may fail to protect the insurer from claims that were not envisaged when the product was priced.

Insurance events are random and the actual number and amount of underwriting benefits will vary from the best estimates established from statistical techniques and taking cognizance of past experience. The Company manages these risks through its underwriting strategy, reinsurance

arrangements and claims handling processes.

The following policies and practices are used by the Company as part of its underwriting strategy to mitigate underwriting risk:

Claims processing and payment is at the centre of activities in the Company therefore the Company maintains a simple workflow of operations from branches to corporate office in the handling of claims. All claimants are treated the same way. It start from identifying that the client has a valid policy of insurance with the Company and also that the claim demand emanates from the perils contemplated in the valid policy, claim form will be sent or downloaded to the client from our website www.anchorinsuranceng.com and clients encourage to complete same with other substantiating documents. The Company pays high premium in timely settlement of claims to enhance its reputation in the market.

b. Remuneration Method

The remuneration method of Brokers and agents is based on commission. This is a proportion of gross premium generated based on statutory scale explicit in Insurance Acts of 2003.

Claims risk is represented by the fact that the Company may incur unexpectedly high losses on policies. Client service staffs are trained to identify and investigate fraudulent claims timeously. The legitimacy of claims is verified by internal, financial and operating controls that are designed to contain and monitor claims risks.

c. Investment Activities

The Company operates a strict investment policy that lays emphasis on liquidity and reduced investment risk exposures. Cash flow and investment schedules are updated weekly for investment committee of management to take decisions within Board established Investment policy.

The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Company has the right not to renew policies and it has the right to reject the payment of a fraudulent claim.

The reinsurance arrangements include surplus and quota - share. The effect of such reinsurance arrangements is that the Company should not suffer total net insurance losses of more than N10 million on any policy. In addition to the overall Company reinsurance programme, individual business units are permitted to purchase additional reinsurance protection.

The Company has specialised claims units dealing with the mitigation of risks surrounding claims. This unit investigates and adjusts all claims. The claims are reviewed individually on a quarterly basis and adjusted to reflect the latest information on the underlying facts, contractual terms and conditions, and other factors. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

The concentration of insurance risk before and after reinsurance by class of business in relation to the type of insurance risk accepted is summarised below, with reference to the carrying amount of the estimated insurance liabilities (gross and net of reinsurance) arising from insurance contracts.

We summarise our calculated technical reserves below adopting both the Basic Chain Ladder and Inflation Adjusted Chain Ladder methods. We have also assumed a discounted approach of the methods used and results presented in the Table set below:

2020 Discounted Inflation Adjusted Basic Chain Ladder Method – Gross Outstanding Claims.

Class of Business	Gross Outstanding Claims N'000	Estimated Reinsurance Recoveries N'000	Net Outstanding Claims N'000
General Accident	224,670	(59,470)	165,200
Fire	79,911	(43,951)	35,960
Motor	140,441	(9,065)	131,376
Bond	53,781	-	53,781
Engineering	42,940	(27,911)	15,030
Marine	186,408	(9,745)	176,663
Oil and Gas	71,045	(5,361)	65,684
Total	**799,196**	**(155,504)**	**643,691**

2019 Discounted Inflation Adjusted Basic Chain Ladder Method – Gross Outstanding Claims.

Class of Business	Gross Outstanding Claims N'000	Estimated Reinsurance Recoveries N'000	Net Outstanding Claims N'000
General Accident	190,739	(50,488)	140,251
Fire	34,528	(18,991)	15,537
Motor	100,844	(6,509)	94,335
Bond	52,080	(7,920)	44,160
Engineering	30,741	(19,981)	10,761
Marine	62,926	(28,155)	34,771
Oil and Gas	107,833	-	107,833
Total	**579,691**	**(132,045)**	**447,645**

2020 UPR (Gross and Reinsurance)

Class of Business	2020 Gross UPR N'000	Reinsurance UPR N'000	2019 Net N'000
General Accident	151,827	(15,166)	136,661
Fire	23,986	(11,150)	12,836
Motor	70,346	(8,663)	61,683
Bond	165,046	(24,081)	140,965
Engineering	10,313	(2,221)	8,092
Marine	102,015	(6,019)	95,996
Oil and Gas	122,387	(46,988)	75,399
Total	**645,920**	**(114,288)**	**531,632**

2019 UPR (Gross and Reinsurance)

Class of Business	2019 Gross UPR N'000	Reinsurance UPR N'000	2019 Net N'000
General Accident	82,316	(8,704)	73,612
Fire	43,750	(11,975)	31,775
Motor	84,138	-	84,138
Bond	27,495	(6,139)	21,356
Engineering	26,992	(5,650)	21,342
Marine	78,101	(12,484)	65,617
Oil and Gas	65,105	(19,960)	45,145
Total	**407,897**	**(64,912)**	**342,985**

**UPR - Unexpired Premium Risk

e. Sources of uncertainty in the estimation of future claim payments

Claims on contracts are payable on a claims-occurrence basis. The Company is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time, and a larger element of the claims provision relates to incurred but not reported.

f. Individual Business

For all individual risk business, the gross premium method of valuation was adopted. Future claims liabilities were calculated via a cash flow projection approach, taking into account future office premiums, expenses and benefit payments.

HYPOTHECATION OF ASSETS

Admissible assets:	Policy-holders funds N'000	Share-holders Funds & Other Funds N'000	Total 2020 N'000	Policy-holders funds N'000	Share-holders Funds & Other Funds N'000	Total 2019 N'000
Cash and cash equivalents	128,522	1,105,050	1,233,572	-	1,041,997	1,041,997
Financial assets:			-			
At fair value through profit or loss	-	95,421	95,421	-	78,436	78,436
Held to maturity (Treasury Bills & Placements)	950,000	1,156,912	2,106,912	800,000	559,497	1,359,497
Held to maturity (Corporate bond)		61,850	61,850		20,000	20,000
Available for sale	-	549,463	549,463	-	511,799	511,799
Loan & receivables (Staff loan)	-	243,369	243,369	-	133,342	133,342
Trade receivable	-	228,342	228,342	-	120,402	120,402
Reinsurance assets	269,794	-	269,794	196,957	-	196,957
Other receivables and prepayments	-	178,371	178,371	-	186,582	186,582
Deferred acquisition cost	-	80,267	80,267	-	69,520	69,520
Investment Properties	246,800	7,108,301	7,355,101	246,800	2,286,742	2,533,542
Intangible assets	-	35,210	35,210	-	30,981	30,981
Property, Plant & Equipment	-	792,677	792,677	-	652,825	652,825
Statutory Deposit	-	315,000	315,000	-	315,000	315,000
Total Assets	1,595,116	11,950,232	13,545,348	1,243,757	6,007,121	7,250,878
Funds	1,445,116	12,100,232	13,545,348	987,587	6,263,291	7,250,879
Excess/(Deficit) in Assets	150,000	(150,000)	-	256,170	(256,170)	-

POLICY HOLDERS' ASSETS AND LIABILITIES MANAGEMENT

Admissible assets:	2020 Policy-holders funds N'000	2019 Policy-holders funds N'000
Cash and cash equivalents	128,522	-
Financial assets:		
Held to maturity (Treasury Bills & Placements)	950,000	800,000
Reinsurance assets	269,794	196,957
Investment Properties	246,800	246,800
Total Assets	1,595,116	1,243,757
Funds	1,445,116	987,587
Excess/(Deficit) in Assets	150,000	256,170

4. CRITICAL ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting estimates and judgments

The preparation of financial statements requires directors to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on directors' experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Significant accounting judgments and estimates made in the preparation of the financial statements is shown below.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Claims arising from non-life insurance contracts

Liabilities for unpaid claims are estimated on case by case basis. The reserves made for claims fluctuate based on the nature and severity of the claims reported. Claims incurred but not reported are determined using statistical analyses and the Company deem the reserves as adequate.

4.2 Impairment for receivables

In accordance with the accounting policy stated in Note 2.4, the Company tests annually whether premium receivables have suffered any impairment. The recoverable amounts of the premium receivables have been determined based on the incurred loss model. These calculations require the use of estimates (see note 3.1b on disclosure on credit risk).

Where this is not applicable, we have based the impairment on debt not collected 30 days after the year end.

5. SEGMENT INFORMATION

IFRS 8 'Operating segments requires operating segments to be determined based on the Company's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Board of Directors which includes executive directors and other key management. It is the Board of Directors that has responsibility for planning and controlling the activities of the Company.

Segment Information is presented in respect of the Company's business segments which represents the primary segment reporting format and is based on the Company's management and reporting structure. No geographical segment has been provided in these financial statements as there is only one geographical segment.

Operating Segment

The Company operates only general business which includes general insurance transaction with individuals and corporate customers.

The Company's reportable segment has been identified on a product basis for a general insurance business. Anchor insurance is a seven segment business.

List of the Company's major customers that generate at least 10% of total premium income of Anchor Insurance Company Ltd:

	31-Dec-20 N'000	31-Dec-19 N'000
YOA Insurance Brokers Ltd	270,740	-

SEGMENT REPORT

The Company's business reporting information comprises

	Accident N'000	Fire N'000	Marine N'000	Motor N'000	Oil & Gas N'000	Bond N'000	Engineering N'000	2020 N'000	2019 N'000
Revenue	1,433,868	255,434	1,617,374	1,082,765	1,189,540	92,260	936,963	6,608,204	4,077,374
Derived from external customers	26,037	29,785	27,749	26,861	14,848	-	29,892	155,172	115,232
Gross premium written	**1,459,905**	**285,220**	**1,645,122**	**1,109,626**	**1,204,388**	**92,260**	**966,855**	**6,763,375**	**4,192,606**
(Inc.)/Decr. In Unearned Income	(69,511)	19,764	(23,914)	13,792	(57,282)	(137,552)	16,679	(238,024)	(80,007)
Investment Income	30,218	5,904	34,052	22,968	24,929	1,910	20,013	139,992	216,031
Commission received	30,527	5,964	34,400	23,203	25,184	1,929	20,217	141,426	100,201
Other Income	8,151	1,593	9,185	6,196	6,725	515	5,398	37,763	8,349
Total Segment Reporting	**1,459,291**	**318,444**	**1,698,846**	**1,175,784**	**1,203,944**	**(40,938)**	**1,029,163**	**6,844,532**	**4,437,178**
Outward Re-insurance	(275,889)	(53,900)	(310,891)	(209,694)	(227,602)	(17,435)	(182,714)	(1,278,126)	(676,318)
Net Segment revenue	**1,183,401**	**264,543**	**1,387,955**	**966,090**	**976,341**	**(58,373)**	**846,449**	**5,566,406**	**3,760,860**
Depreciation	(57,773)	(11,287)	(65,103)	(43,911)	(47,661)	(3,651)	(38,262)	(267,648)	(177,332)
Other expenses	(596,129)	(116,464.94)	(671,760)	(453,098)	(491,793)	(37,673)	(394,800)	(2,761,717)	(2,761,717)
Profit/loss before Taxation	**529,499**	**136,791**	**651,092**	**469,080**	**436,887**	**99,697**	**413,387**	**2,537,041**	**821,811**
Total assets	**2,923,824**	**571,224**	**3,294,769**	**(83)**	**2,412,088**	**184,773**	**1,936,370**	**13,545,350**	**7,250,879**
Total assets less current liabilities	**1,223,717**	**239,076**	**1,378,970c**	**(83)**	**1,009,539**	**77,334**	**810,435**	**5,669,178**	**5,311,479**

	Accident N'000	Fire N'000	Marine N'000	Motor N'000	Oil & Gas N'000	Bond N'000	Engineering N'000	Total N'000
Gross Premium Written	**1,459,905**	**285,220**	**1,645,122**	**1,109,626**	**1,204,388**	**92,260**	**966,855**	**6,763,375**
Changes in Unearned Premium	(69,511)	19,764	(23,914)	13,792	(57,282)	(137,552)	16,679	(238,024)
Gross Premium Income	**1,390,394**	**304,983**	**1,621,208**	**1,123,418**	**1,147,106**	**(45,292)**	**983,534**	**6,525,352**
Outward Reinsurance Premium	(197,666)	(150,988)	(274,244)	(64,609)	(435,371)	(1,927)	(153,321)	(1,278,126)
Net Premium Income	**1,192,728**	**153,996**	**1,346,964**	**1,058,809**	**711,734**	**(47,219)**	**830,213**	**5,247,225**
Fees and Commission Received	43,169	30,188	36,706	3,726	1,222	5,132	21,283	141,426
Total Underwriting Income	**1,235,898**	**184,184**	**1,383,670**	**1,062,535**	**712,956**	**(42,088)**	**851,496**	**5,388,651**
Claims Expense	(413,306)	(96,990)	(157,129)	(319,821)	(287,133)	(6,003)	(62,361)	(1,342,744)
Underwriting Expenses	(269,041)	(250,672)	(527,610)	(263,034)	(171,685)	(15,251)	(387,911)	(1,885,204)
Total Underwriting Expenses	**(682,347)**	**(347,663)**	**(684,739)**	**(582,855)**	**(458,817)**	**(21,254)**	**(450,273)**	**(3,227,948)**
UNDERWRITING RESULT	**553,551**	**(163,479)**	**698,931**	**479,679**	**254,138**	**(63,342)**	**401,223**	**2,160,703**

FOR THE YEAR ENDED 31st DECEMBER 2020

5.1 The Company

Anchor Insurance Company Limited was licensed on 6th of June 1989 as a General Business (Non-Life) Insurance outfit and started operations in November 1989. The Company added Life/Pension class of in January 1992 and was registered by NAICOM as a Composite Insurance Company (RIC-072) in 1998. The Company was re-certified by NAICOM in February 2007 as a General Business Insurance Company (RIC-005).

The address of its registered office is: - No. 7/13, Aka Road, Uyo, Akwa Ibom State.

5.2 Principal Activities and Corporate Development

During the year under review, the Company engaged in General Insurance Business and maintained Offices in major cities with corporate headquarters at Plot 21, Ahmed Onibudo Street, Victoria Island, Lagos.

5.3 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are disclosed on pages 25 to 45. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.4 Financial Assets and Liabilities

Determination of fair value

The determination of fair value for each class of financial instruments was based on the particular characteristic of the instruments. The method and assumptions applied are enumerated below:

Cash and cash equivalent, borrowings and unquoted held-to- maturity bonds

The estimated fair value of fixed interest placement with banks, bonds and borrowings is based on the discounted cash flow techniques using prevailing money market interest rates for debts and similar credit risk and remaining maturity.

Quoted securities (held-to-maturity and held for trading)

The fair value for treasury bills and bonds assets is based on market prices or brokers/dealers price quotations. Where this information is not available, fair valuation is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

Unquoted equity securities available for sale

The fair value of available-for-sale securities is based on the dividend discount model using an estimated cost of capital of 15.3% to discount future earning multiples.

Equity investment that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less any identified impairment losses at the end of each reporting period.

Trade receivables and payables, reinsurance receivables and other payables

The estimated fair value of receivables and payables with no stated maturity which includes no interest payables and receivables is the amount repayable or to received on demand.

Insurance liabilities

See Note 2.71 for method and assumptions used to determine the fair value of life and non-life insurance contracts.

6. CASH AND CASH EQUIVALENTS

	2020 N'000	2019 N'000
Cash	3,346	368
Bank Balances	223,602	384,097
Short Term Deposit and Placements	1,006,624	657,531
Balance at 31 December	**1,233,572**	**1,041,997**

6.1

	Policy-holders funds N'000	Share-holders Funds & Other Funds N'000	Total 2020 N'000
Cash and cash equivalents	-	3,346	**3,346**
Cash in hand	-	223,602	**223,602**
Bank balances - Local	-	1,006,624	**1,006,624**
Short term deposits	-	1,233,572	**1,233,572**

a. For the purpose of cash flows statement, cash and cash equivalents comprise the balances with less than three (3) months maturity from the date of acquisition.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investment in trading securities (Note 7.1)	95,421	78,436
Balance at 31 December	**95,421**	**78,436**
Non-current	**95,421**	**78,436**

7.1 Movement in financial assets through profit or loss:

At 1st January,	**78,436**	**97,283**
Addition	**-**	**-**
Fair value Gain/(loss)	**16,985**	**(18,847)**
At 31 December	**95,421**	**78,436**

7.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Policy-holders funds N'000	Share-holders Funds & Other Funds N'000	Total 2020 N'000
Investment in Quoted/Trading securities	-	95,421	95,421
	-	95,421	95,421

7.2 Analysis of equity securities as at 31 December 2020 is shown below:

S/N	Institutions	Quantity	Price N'000	31-Dec-20 Value N'000
1	Access Bank Plc	147,946	8.45	1,250
2	Dangote Cement Plc	38,781	244.90	9,497
3	Dangote Sugar Plc	331,850	17.60	5,841
4	Dunlop Plc	1,000,000	0.20	200
5	First Bank Nigeria Holding Plc	1,140,000	7.15	8,151
6	Guaranty Trust Bank Plc	1,187,945	32.35	38,430
7	International Energy Insurance Plc	258,748	0.38	98
8	Lafarge Africa Plc	9,320	21.05	196
9	Niger Insurance Co. Plc	560	0.20	0.11
10	Nigerian Breweries Plc	3,051	56.00	171
11	Union Homes Savings & Loans Plc	1,325	3.02	4
12	United Bank for Africa	500,000	8.65	4,325
13	Wapic Insurance Plc	3,000	0.40	1
14	Zenith Bank Plc	1,099,006	24.80	27,255
	TOTAL			95,420

8. HELD TO MATURITY FIANACIAL ASSETS

	18.5% Wema Bond 2023 N'000	Euro Bond N'000	Treasury bills N'000	Bank Placement N'000	Total N'000
Opening Balance as at 1 January	20,000		100,000	1,259,497	1,379,497
Additions during the year	-	38,650		847,415	886,065
Gain on foreign exchange		3,200	-		3,200
Disposal/redemptions	-		(100,000)		(100,000)
As at 31 December	20,000	41,850	-	2,106,912	2,168,762

Current	2,106,912
Non-current	61,850

8.1 HELD TO MATURITY FIANACIAL ASSETS

	18.5% Wema Bond 2023 N'000	Treasury bills N'000	Bank Placement N'000	Total N'000
Opening Balance as at 1 January 2019	20,000	140,000	988,923	1,148,923
Additions during the year	-	-	270,574	270,574
Disposal/redemptions	-	(40,000)	-	(40,000)
As at 31 December 2019	20,000	100,000	1,259,497	1,379,497

Current	1,359,497
Non-current	20,000

8.2 HELD TO MATURITY FIANACIAL ASSETS

	Policy-holders funds N'000	Share-holders Funds & Other Funds N'000	Total 2020 N'000
Wema Bond	-	20,000	20,000
Euro Bond		41,850	41,850
Bank Placements	800,000	1,306,912	2,106,912
	800,000	1,368,762	2,168,762

9. AVAILABLE FOR SALE FINANCIAL ASSETS

Unquoted investment	2020 N'000	2019 N'000
At Cost (Note 9.1)	210,000	210,000
At Fair Value (Note 9.2)	339,463	301,799
Balance at 31 December	549,463	511,799
Non-current	549,463	511,799

The management is in the process of disposing of the above available-for-sale financial assets.

9.1 Unquoted investment at Cost :

Anchor HMO	100,000	100,000
Statefarm Investment Limited	110,000	110,000
	210,000	210,000

9.2 Unquoted investment at fair value :

	2020 N'000	2019 N'000
WAICA Re		
Opening Balance	301,799	140,983
Addition	-	-
Disposal	-	-
Fair value Gain/(loss)	-	134,133
Exchange Gain/(loss)	37,664	26,683
At 31 December	339,463	301,799

9.3 AVAILABLE FOR SALE FINANCIAL ASSETS

	Policy-holders funds N'000	Share-holders Funds & Other Funds N'000	Total 2020 N'000
State Farm Investment Limited	-	110,000	110,000
Anchor HMO	-	100,000	100,000
WAICA Re	-	339,463	339,463
	-	549,463	549,463

10. FINANCIAL ASSETS – LOANS AND RECEIVABLES:

Staff Loans (Note 10.1)	243,369	133,342
Current	7,369	13,342
Non-currernt	236,000	120,000
	243,369	133,342

10.1 Movement in Staff Loan:

At 1 January	133,342	8,404
Addition	130,767	133,174
Repayment during the year	(20,740)	(8,236)
At 31 December	243,369	133,342

11. TRADE RECEIVABLES

	2020 N'000	2019 N'000
Premium Debtors (Note 11.1)	228,342	120,402
Balance at 31 December	228,342	120,402

11.1 Counterparty Categorization of insurance receivables

Brokers	75,577	100,460
Insurers (Co-Insurance Companies)	152,765	19,942
	228,342	120,402

11.2 Counterparty Categorization of insurance receivables

0 – 30 days	228,342	120,402
Above 30 days	-	-
	228,342	120,402

These debts have been collected after the year end.

12. REINSURANCE ASSETS

Unexpired reserve (Note 12.1)	114,289	64,912
Reinsurance share of outstanding claims & IBNR (Note 12.2)	155,505	132,045
As 31 December	269,794	196,957

12.1 Movement in Unexpired reserved:

At 1 January	64,912	53,822
Changes during the year	49,377	11,090
At 31 December	114,289	64,912

12.1 Movement in Outstanding claims & IBNR:

At 1 January	132,045	133,135
Changes during the year	23,460	(1,090)
At 31 December	155,505	132,045

13. OTHER RECEIVABLES AND PREPAYMENTS

	2020 N'000	2019 N'000
Prepayments - Rent	18,221	34,057
Receivable from Aquila Capital	51,703	69,540
Interest receivable (Note 13.1)	19,444	29,345
Advance payment for Renovation of Office Building	38,723	39,513
Value added tax	35,096	-
Withholding tax receivables	15,183	14,127
Balance at 31 December	178,371	186,582
Current	178,371	186,582

13.1 Interest receivable

	2020 N'000	2019 N'000
Aquila Leasing	-	2,936
Credite Capital Finance & Investment Limited	360	1,057
Dangote Cement Commercial papers	121	-
Fidelity Bank Plc, Apapa	132	909
Fidelity Bank Plc, Head Office	33	1,075
First City Monument Bank Plc, Ilesha	2	-
First City Monument Bank Plc, MMM, Ikeja	1,625	1,140
Globus Bank Limited	15	-
Growth & Asset Development	53	104
Heritage Bank Limited	-	2,180
Imperial Homes Mortgage Bank Limited	-	750
Initiative Finance	-	1,305
Keystone Bank Limited	49	1,851
Polaris Bank Limited	8	1,788
Polaris Bank Limited Apapa	54	473
Prudential Mortgage Bank	31	32
Sapphire Micro Finance Bank	-	35
Sterling Bank Limited, Ogunlana Drive	24	-
Sterling Bank Limited, Yaba	34	2,037
Union Bank	4,648	1,242
United Bank for Africa Plc	-	1,114
United Capital Nigeria Fund	1,063	-
Unity Bank Plc, Abuja	328	5,617
Unity Bank Plc, HQ	8	-
Unity Bank Plc,Ikorodu	86	-
Unity Bank Plc,Mushin	6	-
UT Financial Services Limited	91	399
Wema Bank , Calabar	100	322
Wema Bank , Energy Group	1	-
Zenith Bank Plc, Gbagada	10,562	-
Zenith Bank Plc, Yaba	3	2,979
	19,444	**29,345**

Interest Receivable represents accrued interest that has been earned in 2020 from various bank placement

14. DEFERRED ACQUISITION COST

Deferred acquisition costs represent commissions on unearned premium relating to the unexpired risks.

14.1 Deferred acquisition cost by line of business:

	2020 N'000	2019 N'000
-Fire	5,063	18,505
- Accident	19,433	8,747
- Marine	8,598	15,299
- Motor	13,666	8,770
- Bond	21,017	5,926
- Oil & Gas	10,448	5,405
- Engineering	2,041	6,868
	80,267	69,520
Current	80,267	69,520

14.2 The movement in the deferred acquisition cost during the year is shown below:

At 1 January	69,520	35,663
Deferred acquisition costs during the year	1,330,514	648,057
	1,400,033	683,720
Amortisation during the year	(1,319,767)	(614,200)
At 31 December	80,267	69,520

15. INVESTMENT PROPERTY

At 1 January	2,533,542	970,320
Additions within the year (Improvement costs)	4,821,559	62,052
Reclassification from PPE (land & asset under construction) (Note 17)	-	1,361,122
Gain in fair value	-	140,048
Valuation as at 31 December	7,355,101	2,533,542

15.1 The locations of the properties are as stated below:

	2020 N'000	2019 N'000
1. 7/13 Aka Road, Uyo, Akwa Ibom State (Note 15.2)	915,894	915,894
2. A28 MCC Road, Calabar, Cross Rivers State. (Note 15.2) 29	151,300	151,300
3. Wellington Bassey Way, Uyo, Akwa Ibom State	1,487,907	1,466,348
4. 22 Molade Thomas Street, Victoria Island, Lagos	1,288,000	-
5. 14 Ajose Adeogun Street, Victoria Island, Lagos	1,712,000	-
6. 17B Furo Ezimoru Street, Lekki, Lagos	160,000	-
7. 37 Campbell Street, Lagos	140,000	-
8. Block 30, Glover Estate, Ebute Metta	200,000	-
9. 122-124 Broad Street, Lagos Island, Lagos	400,000	-
10. 16 Kolda Street, Adetokunbo Ademola Cr. Wuse 11, Abuja	350,000	-
11. 31A Bishop Aboyade Close, Victoria Island, Lagos	550,000	-
	7,355,101	2,533,542

Landed properties (item 4-11) worth N4.8billion was transferred to Anchor Insurance Company Limited by Akwa Ibom State Government in part settlement for shares allotted to the State. In line with NAICOM Circular on recapitalization the transfer is not acceptable for recapitalization except the properties are sold and cash proceeds excrowed in an account with CBN as at 31 December 2020. The sale of these properties have not been completed as at 31 Decemeber 2020. In view of this the assets and the resulting liabilities have been excluded from solvency margin computation.

15.2 Movement in Investment Properties (2020):

	Status of Title	1 Jan. 2020	Improve-ment Cost	Disposal	Reclassifi-cation	Revaluation Gain	31 Dec. 2020
7/13, Aka Road, Uyo, Akwa Ibom State	Deed of Assignment	915,894		-	-		915,894
A28, MCC Road, Calabar, Cross Rivers State	Deed of Assignment	151,300	-	-	-		151,300
29 Wellington Bassey Way, Uyo, Akwa Ibom State	Deed of Assignment	1,466,348	21,559	-			1,487,907
22 Molade Thomas Street, Victoria Island, Lagos	Transfer by AKS Gov		1,288,000				1,288,000
14 Ajose Adeogun Street, Victoria Island, Lagos	Transfer by AKS Gov		1,712,000				1,712,000
17B Furo Ezimonu Street, Lekki, Lagos	Transfer by AKS Gov		160,000				160,000
37 Campbell Street, Lagos	Transfer by AKS Gov		140,000				140,000
Block 30, Glover Estate, Ebute Metta	Transfer by AKS Gov		200,000				200,000
122-124 Broad Street, Lagos Island, Lagos	Transfer by AKS Gov		400,000				400,000
16 Kolda Street, Adetokunbo Ademola Cr. Wuse 11, Abuja	Transfer by AKS Gov		350,000				350,000
31A Bishop Aboyade Close, Victoria Island, Lagos	Transfer by AKS Gov		550,000				550,000
Total		**2,533,542**	**4,821,559**	**-**	**-**	**-**	**7,355,101**

Movement in Investment Properties (2019):

	Status of Title	1 Jan. 2019	Improve-ment Cost	Disposal	Reclassifi-cation	Revaluation Gain	31 Dec. 2019
7/13, Aka Road, Uyo, Akwa Ibom State	Deed of Assignment	819,020	-	-	-	96,874	915,894
A28, MCC Road, Calabar, Cross River State	Deed of Assignment	151,300	-	-	-	-	151,300
29 Wellington Bassey Way, Uyo, Akwa Ibom State		-	62,052	-	1,361,122	43,174	1,466,348
Total		**970,320**	**62,052**	**-**	**1,361,122**	**140,048**	**2,533,542**

Investment property comprises eleven (11) commercial properties held for the purpose of capital appreciation and rental income. The properties are located at Uyo, Akwa Ibom State, Calabar, Cross Rivers State, and Lagos. The properties have been rented out. The investment property is carried at fair value which was determined based on fair value. The properties located at 7/13 Aka Road, Uyo and A28 MCC Road, Calabar, Cross River State were independently valued by Ekere & Associates (Estate Surveyors & Valuers) with FRC number FRC/2014/00000002836 as at 31 December 2020 while the property at 29 Wellington Bassey Way, Uyo were valued by Ayo Adetunmobi Consulting with FRC/2016/00000078492.

The market values of the properties as at last valuation on 31 December 2020 were N915million, N151million and N1,487million for the properties located in Uyo and Calabar.

The rental income on investment property included in statement of comprehensive income for the year was N35,671,338

(2019 : N28,978,006)

16. INTANGIBLE ASSETS

Cost:	Computer Software N'000
As at 1 January 2020	72,506
Additions	18,965
Balance at 31 December 2020	**91,471**
Accumulated amortization and impairment:	
As at 1 January, 2020	41,525
Amortization charged for the year	14,736
As at 31 December 2020	**56,261**

Cost:	Computer Software N'000
As at 1 January 2019	52,661
Additions	19,845
Balance at 31 December 2019	**72,506**
Accumulated amortization and impairment:	
As at 1 January, 2019	28,354
Amortization charged for the year	13,171
As at 31 December 2019	**41,525**

Net Book Value	
As at 31 December 2020	**35,210**
As at 31 December 2019	**30,981**

17. PROPERTY AND EQUIPMENT

	Land 0% N'000	Moto Vehicles 20% N'000	Office Equipment 25% N'000	Assets Under Construction 0% N'000	Library Books 2% N'000	Computer Equipment 25% N'000	Office Furniture & Fitting 25% N'000	Total N'000
Cost								
At 1 January 2020	126,520	873,599	144,982	-	2,193	83,909	48,315	1,279,517
Revaluation	-			-	-			-
Additions	1,500	120,975	2,160	292,995	-	3,949	2,129	423,708
Disposal	-	(106,576)	(2,122)	-	-		(165)	(108,863)
Reclassifications (note 15)			-	-	-		-	-
At 31 December 2020	128,020	887,998	145,020	292,995	2,193	87,858	50,279	1,594,362
Depreciation								
At 1 January 2020	-	420,615	119,072	-	426	53,372	33,207	626,692
Charged for the year		223,711	10,779		44	11,867	6,512	252,913
Disposal	-	(75,633)	(2,122)		-		(165)	(77,920)
At 31 December 2020	-	568,693	127,729	-	470	65,239	39,554	801,685
NET BOOK VALUE								
At 31 December 2020	**128,020**	**319,304**	**17,291**	**292,995**	**1,723**	**22,619**	**10,724**	**792,677**
At 31 December 2019	**126,520**	**452,983**	**25,910**	**-**	**1,767**	**30,537**	**15,107**	**652,825**

Leasehold Land & Freehold Buildings	Status of Title	Opening Balance N'000	Addition N'000	Transfer N'000	Disposal N'000	Depreciation N'000	Impairment N'000	Closing Balance N'000
Plot 4, Block 'E' banks/offices layout, Udo Udoma Av, Uyo		126,520	1,500	-	-	-	-	128,020
Total		**126,520**	**1,500**	**-**	**-**	**-**	**-**	**128,020**

17. PROPERTY AND EQUIPMENT (CONT'D)

	Land 0% N'000	Moto Vehicles 20% N'000	Office Equipment 25% N'000	Assets Under Construction 0% N'000	Library Books 2% N'000	Computer Equipment 25% N'000	Office Furniture & Fitting 25% N'000	Total N'000
Cost								
At 1 January 2019	326,520	691,015	137,844	1,161,122	2,188	62,919	41,360	2,422,968
Revaluation	-			-	-			-
Additions	-	239,295	7,158		5	20,990	6,955	274,402
Disposal	-	(56,711)	(20)	-	-	-	-	(56,731)
Reclassifications (note 15)	(200,000)	-	-	(1,161,122)	-		-	(1,361,122)
At 31 December 2019	126,520	873,599	144,982	-	2,193	83,909	48,315	1,279,517
Depreciation								
At 1 January 2019	-	335,725	108,843	-	382	36,588	15,035	496,573
Charged for the year		118,917	10,244		44	16,784	18,172	164,161
Disposal	-	(34,027)	(15)					(34,042)
At 31 December2019	-	420,615	119,072	-	426	53,372	33,207	626,692
NET BOOK VALUE								
At 31 December 2019	**126,520**	**452,983**	**25,910**	**-**	**1,767**	**30,537**	**15,107**	**652,825**
At 31 December 2018	**326,520**	**355,290**	**29,001**	**1,161,122**	**1,806**	**26,331**	**26,325**	**1,926,395**

Location and Address of Leasehold Land & Freehold Buildings	Status of Title	Opening Balance N'000	Addition N'000	Transfer N'000	Disposal N'000	Depreciation N'000	Impairment N'000	Closing Balance N'000
29, Wellington Bassey way, Uyo		200,000	-	(200,000)	-	-	-	-
Plot 4, Block 'E' banks/offices layout, Udo Udoma Av, Uyo		126,520	-	-	-	-	-	126,520
Total		**326,520**	**-**	**(200,000)**	**-**	**-**	**-**	**126,520**

18. STATUTORY DEPOSITS

This represents the amount deposited with the Central Bank of Nigeria as at 31 December, 2020 in accordance with Section 9(1) and section 10(3) of Insurance Act 2003. This amount is not available for the day to day use in the working capital of the company. Therefore, it is excluded from the cash and cash equivalents.

	2020 N'000	2019 N'000
Statutory Deposit with the Central Bank of Nigeria:		
Balance 1 January,	315,000	315,000
Balance at 31 December	315,000	315,000
Non-current	315,000	315,000

19. INSURANCE CONTRACT LIABILITIES

Provision for unexpired risks (Note 19.1)	645,921	407,897
Provision for IBNR (Note 19.2)	290,918	190,169
Provision for outstanding claims (Note 19.3)	508,277	389,521
Balance at 31 December	1,445,116	987,587
Current	1,445,116	987,587

19.1 Movement in the unearned premium account during the year was as follows:

Balance at the beginning of the year	407,897	327,890
Changes in unearned income	238,024	80,007
Balance at the end of the year	645,921	407,897

19.1.1 Breakdown of provision of unearned premium per class of business:

Fire	23,987	43,750
Accident	151,827	82,316
Motor	70,346	84,139
Marine	102,015	78,101
Oil & Gas	122,387	26,992
Bond	165,046	65,105
Engineering	10,313	27,495
Balance at 31 December	645,921	407,897

19.2 Movement in the provision for IBNR during the year was as follows:

	2020 N'000	2019 N'000
Balance at the beginning of the year	190,169	115,019
Changes in IBNR	100,749	75,150
Balance at the end of the year	290,918	190,169

19.2.1 Breakdown of provision for IBNR per class of business:

Fire	34,902	28,185
Accident	79,030	23,088
Motor	38,465	30,679
Marine	32,485	37,253
Oil & Gas	55,337	49,984
Bond	16,424	8,395
Engineering	34,275	12,585
Balance at 31 December	290,918	190,169

19.3 Movement in the provision for outstanding claims during the year was as follows:

Balance at the beginning of the year	389,521	371,607
Changes in outstanding claims	118,756	17,914
Balance at the end of the year	508,277	389,521

19.3.1 Breakdown of provision for outstanding claims per class of business:

Fire	45,008	6,343
Accident	145,640	167,650
Motor	101,976	70,165
Marine	153,923	25,672
Oil & Gas	15,708	57,849
Bond	37,357	43,686
Engineering	8,665	18,156
Balance at 31 December	508,277	389,521

19.4 AGE ANALYSIS OF OUTSTANDING CLAIMS

Financial assets	2020 Number of Claimants	2020 Outstanding claim N'000	2019 Number of Claimants	2019 Outstanding claim N'000
0 - 30 Days	106	31,432	379	152,702
31 - 90 Days	202	73,930	77	71,239
91 - 180 Days	199	64,642	121	89,299
181 - 360 Days	371	200,650	129	48,224
360 Days and above	439	137,623	120	28,057
TOTAL	**1317**	**508,277**	**826**	**389,521**

- The outstanding claims above 90 days are claims that are not fully documented and substantiated by claimant
- The loss adjusters could not advise the lead underwriter, for further processing of the claim.
- The claimant not being reachable to provide further information for processing after initial report.

20 TRADE PAYABLE

	2020 N'000	2019 N'000
Due to Brokers	-	-
Due to Reinsurers	17,526	28,853
Premium received in advance	328,994	-
Balance at 31 December	346,520	28,853
Current	346,520	28,853

21 OTHER PAYABLES

Other Creditors (Note 21.1)	118,249	253,888
Accruals	33,019	-
Balance at 31 December	151,268	253,888
Current	151,268	253,888

21.1 Other Creditors is further broken down as follows:

	2020 N'000	2019 N'000
Staff Pension Contribution	6,047	871
Pay As You Earn (PAYE)	1,450	-
Staff Cooperative Society (Contributions to Staff Cooperative not remitted before year end)	-	53,396
State Farm Investment Ltd.**	32,367	40,095
Other sundry creditors (Note 21.2)	56,706	125,384
Withholding tax payable	21,678	8,133
Dividend payable (Note 28.1)	-	26,008
Balance at 31 December	118,249	253,888

** This represent the salaries of outsourced Staff of State Farm Investment Limited to Anchor Insurance.

21.2 Other sundry creditors be further broken down as follows:

Receipt in Advance on rent	10,354	39,563
Direct cash credit**	43,635	82,056
Sundry creditors (Note 21.3)	2,717	3,765
	56,706	125,384

** Direct Cash credit of N43.6m represents inflows into Bank current accounts which could not be reconciled to specific customers before year end thus could not be classified as either Premium or other income until they are reconciled.

21.3 Sundry Creditors

MTN CUG (Staff)	27	27
Surcharge	-	1,032
Development levy	160	175
Staff Aspire investments	2,530	2,530
	2,717	3,765

The carrying amounts disclosed above is the appropriate fair value at the reporting date. All amounts are payable within one year.

21.4 Deposit for Shares

	2020 N'000	2019 N'000
Receipts for deposits for Shares	667,880	-
*Akwa Ibom State Government	4,800,000	-
	5,467,880	-

* This represents the value of landed properties transferred to Anchor in anticipation of part settlement for shares allotted to the State Government. In line with NAICOM Circular on recapitalization the transfer is not acceptable for recapitalization except the properties are sold and cash proceeds escrowed in an account with CBN. The sale of these properties have not been completed as at 31 December 2020.

22 BORROWINGS

Balance as 1 January	263,303	-
Additions during the year	59,137	298,450
Accrued interest	11,001	14,770
Repayment during the year	(173,869)	(49,917)
Balance at 31 December	159,572	263,303

This is 24 months bank loan at 19% interest rate

23 INCOME TAX LIABILITIES

At 1 January	253,220	213,977
Charged for the year (see Note 39)	(104,764)	56,710
Payment during the year	-	(17,468)
At 31 December	148,456	253,220

24 DEFERRED TAX LIABILITIES

The movement in deferred tax liability is as follows:		
At 1 January	152,549	108,459
Charge in income statement for the year	4,812	3,850
Charge on available-for-financial asset		40,240
Balance at 31 December	157,361	152,549
Non-Current	157,361	152,549

25 SHARE CAPITAL

i. Authorised Equity Shares	2020 N'000	2019 N'000
11 billion ordinary shares of N1.00 each	11,000,000	11,000,000
ii. Issued and Fully Paid Equity Shares		
2,245 billion ordinary shares of N1.00 each		
Balance at 1 January	2,245,000	2,245,000
Balance at 31 December	2,245,000	2,245,000

In compliance with NAICOM circular number DPR/CIR/25/2019 dated May 20, 2019 on minimun paid up share capital policy for insurance and re-insurance companies in Nigeria, the company by ordinary resolution and notice of increase in share capital dated the 19th day of August 2019 increased its share capital from 3,000,000,000 to 11,000,000,000 by the creation of 8,000,000,000 ordinary shares of N1.00 each and registered with Corporate Affairs Commission on 20th day of August 2019.

Analysis of the shareholdings is stated below:

Name	Number of Shares Allotted Unit	Proportionate Shareholding %
Akwa Ibom State Government	1,364,153,449	60.76%
Ukartel Nigeria Limited.	614,296,551	27.36%
Leeked Investment Ltd	135,059,055	6.02%
Bassey Anwanane	36,000,000	1.60%
Statefarm Investment Ltd (Staff Trust)	35,750,000	1.59%
Comfort O. Essien (Mrs.)	16,500,000	0.74%
Adeduro Ademayowa	10,000,000	0.45%
Engr. Uyai Ekaette	8,940,945	0.40%
Anaene Investment Ltd	7,150,000	0.32%
Ime Umoh	5,000,000	0.22%
Archibong Udeme	5,000,000	0.22%
UM Associates	1,787,500	0.08%
Mckanderson Company Ltd	3,575,000	0.16%
Abraham Amkpa	1,787,500	0.08%
Total	2,245,000,000	100%

26 SHARE PREMIUM

	2020 N'000	2019 N'000
Balance at 1 January	355,200	475,200
Share issue cost paid to FIRS during the year	-	(60,000)
Share issue cost paid to CAC during the year	-	(60,000)
Balance at 31 December	355,200	355,200

Share issue costs represents transaction costs incurred due to increase in company's authorised share cipital from 3billion to 11billion ordinary shares.

27 STATUTORY CONTINGENCY RESERVES

This is maintained in compliance with section 21(1) and (2) and 22(16) of Insurance Act, 2003. In accordance with the Insurance Act, a contingency reserve is credited with the greater of 3% of total Premiums or 20% of the total profit after taxation. This shall accumulate until it reaches an amount equal to the greater of minimum paid-up capital or 50% of net premium.

The movement in this account during the year is as follows:

Balance at 1 January	1,025,543	899,765
Transfer from statement of equity	202,901	125,778
Balance at 31 December	1,228,444	1,025,543

28 RETAINED EARNINGS

Retained earnings is the carried forward recognised income net of expenses plus current profit attributable to shareholders. It is the amount available for dividend distribution to the equity shareholders of the company. See Statement of equities for movement in retained earnings.

Balance at 1 January	1,350,903	1,301,398
Profit for the year	436,497	220,184
Transfer to Contingency reserve	(202,901)	(125,778)
Dividend approved to Equity Holders	(89,800)	(44,900)
Balance at 31 December	1,494,699	1,350,903

28.1 Dividend Payable

Balance as at January 1	26,008	-
Approved during the year	89,800	44,900
Paid during the year	(106,828)	(14,402)
Withholding tax deduction at 10%	(8,980)	(4,490)
Dividend payable - see Note 21.1	-	26,008

29 OTHER RESERVES

	2020 N'000	2019 N'000
Balance at 1 January	334,832	235,035
Profit or (loss) on disposal of revalued assets Exchange	(26,662)	(20,779)
differences on available for sale	37,664	26,683
Fair value reserve	-	93,893
Balance at 31 December	345,834	334,832

29.1 Profit or (loss) on disposal of Property, Plant and Equipment (PPE)

Revaluation amount of PPE (Note 17)	108,863	56,731
Less Depreciation on PPE disposal (Note 17)	(77,920)	(34,042)
Carrying amount at disposal	30,943	22,689
Less Previous revaluation gain reclassified to Retained Earning	(26,662)	(20,779)
Net carrying amount at disposal (a)	4,281	1,910
Proceeds on disposal of PPE (b)	4,281	1,910
Profit or loss on disposal of PPE (b-a)	-	-

30 NET PREMIUM INCOME

This comprises the underwriting income from all the class of insurance engaged in by the Company during the years as stated below:

Gross Written Premium	6,763,375	4,192,606
Changes in unearned premium provision	(238,024)	(80,007)
	6,525,352	4,112,599
Re-insurance Expenses	(1,278,126)	(676,318)
Net premium income	5,247,225	3,436,280

31 REINSURANCE EXPENSES

Re-insurance Cost for the Period	1,327,504	687,408
Changes in Prepaid Reinsurance	(49,377)	(11,090)
Balance at 31 December	1,278,126	676,318

32 FEE AND COMMISSION RECEIVED

	2020 N'000	2019 N'000
Fire	30,188	18,357
Accident	43,169	24,153
Motor	3,726	1,239
Marine	36,706	33,144
Engineering	21,283	13,429
Bond	5,132	8,213
Oil & Gas	1,222	1,663
Balance at 31 December	141,426	100,201

33 CLAIMS EXPENSES

Claims Paid during the year	1,288,940	936,765
Changes in outstanding claims reserve	219,505	93,065
Gross claims incurred	1,508,445	1,029,830
Re-insurance receoverables from claims reserves(33.1)	(165,701)	(100,269)
Balance at 31 December	1,342,744	929,560

33.1 Re-insurance recoverables from claims reserves

Re-insurance claims recoveries	142,242	101,359
Changes in re-insurance share of outstanding claims & IBNR	23,460	(1,090)
	165,701	100,269

33.2 Claim expenses

Fire	96,990	36,507
Accident	413,306	236,871
Motor	391,821	241,601
Marine	157,129	52,348
Engineering	62,361	120,826
Oil & Gas	287,133	250,969
Bond	6,003	(9,562)
	1,342,744	929,560

34 UNDERWRITING EXPENSES

	Commission N'000	Maintenance N'000	2020 Total N'000	Commission N'000	Maintenance N'000	2019 Total N'000
Fire	226,827	23,845	250,672	92,148	17,128	109,275
Accident	146,988	122,052	269,041	104,385	58,365	162,750
Motor	170,266	92,768	263,034	94,250	65,076	159,326
Marine	390,073	137,537	527,610	158,038	49,551	207,588
Engineering	307,079	80,832	387,911	43,640	15,213	58,853
Oil & Gas	70,994	100,690	171,685	93,853	73,816	167,669
Bond	7,538	7,713	15,251	27,887	9,893	37,779
	1,319,767	565,438	1,885,204	614,200	289,041	903,241

34.1 Underwriting Expenses

	2020 N'000	2019 N'000
Commission (Note 34 above)	1,319,767	614,200
Maintenance (Note 34 above)	565,438	289,041
Balance at 31 December	1,885,204	903,241

35 INVESTMENT INCOME

Interest income (Note 35.1)	54,336	140,572
Dividend received	8,887	6,291
Investment property rental income	35,671	28,978
Statutory deposit income	41,098	40,189
Investment income during the year	139,992	216,031

35.1 Interest Income from Banks and Non Banks Financial Institutions

S/N	Description	Amount N'000
1	Fidelity Bank Plc, Apapa	680
2	Fidelity Bank Plc ,Head Office	1,058
3	First City Monument Bank Plc, M M A Ikeja	1,884
4	First City Monument Bank Plc, Ilesha	2
5	Globus Bank Limited	322
6	Heritage Bank , Head Office	1,457
7	Heritage Bank Ltd, Ikoyi	543
8	Keystone Bank, Head Office	1,241
9	Polaris Bank Ltd,Apapa	122
10	Polaris Bank Ltd, Ikota	1,192
11	Sterling Bank Ltd,Adetokunbo Ademola	5,773
12	Sterling Bank Limited,Abuja	132
13	Sterling Bank Ltd,Ogunlana Drive	146
14	Sterling Bank Ltd, Yaba	80
15	Union Bank Limited,Marina	4,692
16	United Bank For Africa Plc	779
17	United Bank For Africa Plc, Marina	171
18	Unity Bank Ltd, Abuja	1,883
19	Unity Bank Ltd, Head Office	1,165
20	Unity Bank Ltd, Ikorodu	535
21	Unity Bank Ltd, Mushin	6
22	Wema Bank Energy Group	759
23	Wema Bank Plc, Calabar	346
24	Wema Bank Plc, Uyo	373
25	Zenith Bank Plc, Gbagada 1	9,677
26	Zenith Bank Plc, Gbagada 2	6,026
27	Zenith Bank Ltd, Yaba	5,510
28	Cashlink Leasing Limited	2,000
29	Credite Capital Finance & Investments Limited	2,214
30	Growth & Development Asset Management	328
31	Prudential Mortgage Bank	141
33	UT Financial Services Limited	826
34	Dangote Cement Commercial Papers	123
35	Treasury Bills	2,150
	Total	54,336

36 GAINS/(LOSS) ON ASSETS AT FAIR VALUE

	2020 N'000	2019 N'000
Fair gain/(losses) on financial assets at FVTPL (Note 7[1])	16,985	(18,847)
Revaluation gain/(losses) on investment properties (Note 15[2])	-	140,048
	16,985	121,200

36.1 Gain/(Loss) On Available-for-sale Financial Assets Net Of Taxes

Fair gain/(losses) on financial assets at OCI (Note 9[2])		134,133
Deferred Tax Liabilities (Note 24)		(40,240)
	-	93,893

37 OTHER OPERATING INCOME

Interest on staff loan	753	2,416
Sales of unserviceable items	20,025	24,780
	20,778	27,196

38 MANAGEMENT EXPENSES

Employee benefits expenses	429,042	637,285
Depreciation	252,912	164,161
Amortisation	14,736	13,171
Auditors' remuneration	4,500	4,500
ITF	1,345	2,786
Directors' fees	32,300	32,300
Other operating expenses [Note 38(i)]	1,270,278	933,160
	2,005,113	1,787,363

i. Other operating expenses is further broken down as follows:

	2020 N'000	2019 N'000
Printing of AGM notices and Annual Report Other expenses	150	3,414
Directors and board meeting expenses	23,519	32,112
Directors sitting allowances	62,750	56,860
Rent & Rates	56,573	49,046
Water and electricity	7,883	5,827
Repair of office eqquipment & premises	14,863	5,967
Entertainment expenses	24,275	20,339
Telephone	4,121	3,813
Postage and couriers	2,529	2,123
Insurance	22,791	3,301
Motor Vehicles running	37,611	32,458
Generator running cost & repairs	15,025	11,331
Office expenses	13,417	13,622
Out of station allowances	-	1,476
Printing and stationeries	22,767	16,858
Advertisement & publicity	89,567	81,198
Business Relation	162,398	64,251
Subscription to Clubs & Associations	22,828	54,735
Donations	18,060	7,600
Staff pensions (Employers Contribution)	20,483	25,126
Insurance Supervision levy	67,634	14,354
Legal & other professional charges	88,438	76,360
Stamp duties & fines	7,443	983
Consultancy fees: information technology	3,781	595
Staff training and development	40,725	22,510
Travelling expenses	37,342	45,976
Payments to Disengaged staff	41,195	40,403
Bank charges	30,163	22,380
Finance Charge	44,101	14,770
Bad debt	494	4,605
Newspaper & Periodicals	238	766
Staff Welfare	75,753	69,484
Staff Medicals	17,626	13,550
Internet expenses	11,954	9,204
Agency & Marketing cost	181,781	105,764
	1,270,278	933,160

ii. Profit Before Taxation

	2020 N'000	2019 N'000
Profit before taxation is stated after charging:		
Depreciation on fixed assets	252,912	164,161
Amortisation of intangible	14,736	13,171
Audit fees	4,500	4,500
Directors' fees	32,300	32,300
Directors' allowances	62,750	56,860
Staff costs	429,042	637,285
Industrial Training Funds	1,345	2,786

iii. Other Operating Cash Payment

ITF Levy paid during the year	1,345	2,786
Auditor remuneration	4,500	4,500
Directors' fees	32,300	32,300
Other cash expenses	1,232,133	896,819
	1,270,278	936,405

39 INCOME TAX (EXPENSE)/CREDIT

Charged for the year:		
Company Income Tax	63,137	50,534
Education Tax	4,211	3,369
NITDEF	2,807	2,807
Previous year tax provision no longer required	(174,949)	-
	(104,764)	56,710
Deferred tax charge	4,812	3,850
	(99,952)	60,560

40 RELATED PARTIES DISCLOSURES

a. The Company's shares are largely held by Akwa Ibom State Government which held 61% of the Company's issued ordinary shares. Ukartel Nig. Ltd holds 27% of the Company's ordinary shares and the remaining 12% of the shares are widely held.

b. Key Management Personnel

i. Name	Position
Augustine Osegha Ebose	MD/CEO
Mr. Adebisi Ikuomola	Executive Director (Technical)
Barr. Ime F. Umoh	Company Secretary
Mr. Solomon Akpan*	Financial Controller
Linda Okoh	Accountant
Mr. Bassey W. Etukudo	HRM/Head Of Administration
Mr. Jide Fasanmi	GM (Marketing)
Mr. Adebayo Mustapha	Controller (Marketing)
Ms. Olubukola Koyenikan	Head ERM

ii. Remuneration of key personnel

Key management personnel includes the Executive Directors and Management Staff. The compensation paid or payable to key management for employee service is shown below:

	2020 N'000	2019 N'000
Salaries and other short term employee benefits	187,947	234,110

c. Loans and advances

Loan and advances to key management personnel.

Loan oustanding as at 1st January	120,000	-
Loan issued during the year	-	120,000
Loan repayment during the year	5,000	-
Balance, end of year	115,000	120,000

No impairment has been recognised in respect of loan given to key management personnel.

*Mr. Solomon Akpan, the Financial Controller died in February 2021

c. Employees

The average number of persons employed by the company during the year was as follows:

	31-Dec-20 Number	31-Dec-19 Number
Managerial staff	21	25
Senior staff	33	40
Junior staff	89	112
	143	177

d. The staff costs of the above persons were:

	31-Dec-20 N'000	31-Dec-19 N'000
Wages and salaries	428,019	382,371
Other staff cost	3,000	254,914
	431,019	637,285

e. The number of employees in receipt of emoluments above N500,000 during the year were:

	31-Dec-19 Number	31-Dec-18 Number
N550,001 – N640,000	-	-
N640,001 – N790,000	-	-
N790,001 – N990,000	-	-
N990,001 – N1,600,000	62	90
Above N1,600,000	81	87
	143	177

f. Transactions with related party

There were no related party transactions that came to the knowledge of the Board during the year.

41 RETIREMENT BENEFIT OBLIGATIONS

a. Post-Employment Benefit

The Company has not adopted any form of gratuity for staff as a result of which there was no post - employment benefit scheme that was not funded as at 31 December 2020.

b. Defined Contribution Scheme

The Company runs a defined contributory plan in accordance with the Pensions Reform Act of 2014 where contributions are made to approved Pension Fund Administrators. The contribution of the employer and employee's basic, transport and housing allowances. The company's contribution is charged to statement of comprehensive income.

42 CONTINGENCIES AND COMMITMENTS

a. Legal Proceedings and Regulations

At the statement of Financial Position date, there were six (6) law suits in various courts against the Company. The summary of this cases amounted to N39,170,785 (2018: N40.7m).

The directors are of the opinion that the Company will not incur any significant loss with respect to these claims and no provision has been made in these financial statements.

b. Capital Commitments

The Company has no Capital commitment as at 31 December 2020 (31 December 2018: Nil)

43 EVENTS AFTER REPORTING YEAR

The directors are not aware of any events which occurred since 31 December, 2020 which may have effect on the financial statements at that date or which may need to be mentioned in the financial statements in order not to make them misleading as to the operations of financial position at 31 December, 2020

44 IMPACT OF COVID-19

Following the outbreak of COVID-19 pandemic, the Company instituted various measures to preserve the health and wellbeing of its employees, clients and communities while minimizing the impact of the pandemic on its Businesses in all the jurisdiction where it operates. Anchor Insurance Company limited activated its Business Continuity Plans and came up with various initiatives to prevent business disruptions while ensuring adequate customer service delivery. Some of the measures adopted include internal awareness campaigns, enforcement of health and safety precautions, minimization of physical access to office premises, restriction of access to buildings to non-essential visitors, enforcement of social distancing protocols and virtual working approach to reduce exposure and replacement of face-to-face meeting meetings with video conferences or online meetings. Anchor Insurance also came up with palliative measures to ease the difficulty encountered by obligors in identified vulnerable segments and partnered with Government on initiatives aimed at alleviating suffering brought by COVID-19.

The containment measures implemented against the COVID-19 pandemic such as lockdowns, travel restrictions, closure of non-essential businesses and skeletal service operations impacted economic activities during the year. The Federal Government and the Central Bank of Nigeria introduced palliatives to alleviate the sufferings of poor masses and minimize the impact of the pandemic on the economy.

In accordance with the Anchor Insurance Company limited Business Continuity Plans, the IT unit provided Virtual Private Network (VPN) access to staff from different remote locations without compromising security. This enabled us to achieve flexible work arrangements and alternate team split with some of our staff working from their respective homes. As our employees continue to work from home, we monitored staff productivity and continually maintained the confidentiality of all sensitive information.

Anchor Insurance has continued to monitor the development of the situation locally and globally, also following the recommended measures and guidelines issued by the Nigeria Centre for Disease Control (NCDC) and other health authorities.

In the light of these recent developments and its underlying impact, the Company, has assessed the impact of COVID-19 on the annual financial statements and considered the potential impairment indicators.

- Anchor Insurance company Limited experienced a minimal effect on its business generation efforts as we made use of our IT facilities coupled with the well-established excellent customer relationship with our clients.
- Also, the policy of no premium no cover guiding the marketing of insurance products ensured no debt is built up.
- The Covid-19 pandemic rather compelled more entities to seek for more insurance products than they did previously.
- The number of claims recorded in the year was also not abnormally high compared to previous years and this made the effects of the pandemic to be minimal on the Company's financials.
- However, the company incurred a total of N22,235,500 in order to keep its premises in better hygienic condition and prevent the spread as well as support government's initiatives in curtailing the menace and hardship experienced by the populace as follows:

	N
Preventive materials at offices	4,375,000
Cost of data for working remotely	2,500,500
COVID-19 Palliative to Akwa Ibom and FRSC	5,360,000
Contribution to Insurance industry COVID-19 Support	10,000,000
	22,235,500

As at the date of approving these annual financial statements, management have assessed that there is no material impact on the annual financial statements for the year ended 31 December 2020.

45 CONTRAVENTION AND PENALTIES

The company did not contravene any of the NAICOM rules and regulations during the year.

46 COMPARATIVE FIGURES

Certain prior year figures have been reclassified to conform with the current year's presentation and meet accounting standards disclosure requirements.

REVENUE ACCOUNT

	Accident N'000	Fire N'000	Marine N'000	Motor N'000	Oil & Gas N'000	Bond N'000	Engineering N'000	TOTAL N'000
INCOME								
Direct Premium Written	1,433,868	255,434	1,617,374	1,082,765	1,189,540	92,260	936,963	**6,608,204**
Inward Re-Insurance	26,037	29,785	27,749	26,861	14,848	-	29,892	**155,172**
Gross Premium Written	**1,459,905**	**285,220**	**1,645,122**	**1,109,626**	**1,204,388**	**92,260**	**966,855**	**6,763,375**
(Incr.)/Decr. in Unearned Premium	(69,511)	19,764	(23,914)	13,792	(57,282)	(137,552)	16,679	**(238,024)**
Gross Premium Earned	**1,390,394**	**304,983**	**1,621,208**	**1,123,418**	**1,147,106**	**(45,292)**	**983,534**	**6,525,352**
Outward Reinsurance Premium	(197,666)	(150,988)	(274,244)	(64,609)	(435,371)	(1,927)	(153,321)	**(1,278,126)**
Net Premium Earned	**1,192,728**	**153,996**	**1,346,964**	**1,058,809**	**711,734**	**(47,219)**	**830,213**	**5,247,225**
Commission Received	43,169	30,188	36,706	3,726	1,222	5,132	21,283	**141,426**
Total Underwriting Income	**1,235,898**	**184,184**	**1,383,670**	**1,062,535**	**712,956**	**(42,088)**	**851,496**	**5,388,651**
EXPENSES								
Claims	446,648	77,113	86,358	269,617	326,477	1,744	80,983	**1,288,940**
Less :Claims recovery	(58,292)	(17,576)	(27,752)	(7,802)	-	-	(30,820)	**(142,242)**
Net Claims paid	388,356	59,537	58,607	261,815	326,477	1,744	50,162	**1,146,698**
Incre./(Decre.) Outstanding Claims	33,932	45,382	123,482	39,597	(36,788)	1,700	12,199	**219,505**
Gross Claim Incurred	422,288	104,920	182,089	301,412	289,689	3,445	62,361	**1,366,203**
Changes In Reinsurance Claim Recovery	(8,982)	(7,929)	(24,960)	18,410	(2,556)	2,558	-	**(23,460)**
Net Claims Incurred	**413,306**	**96,990**	**157,129**	**319,821**	**287,133**	**6,003**	**62,361**	1,342,744
UNDERWRITING EXPENSES								-
Commission Expenses	146,988	226,827	390,073	170,266	70,994	7,538	307,079	**1,319,767**
Maintenance Expenses	122,052	23,845	137,537	92,768	100,690	7,713	80,832	**565,438**
Total Expenses	**682,347**	**347,663**	**684,739**	**582,855**	**458,817**	**21,254**	**450,273**	3,227,948
UNDERWRITING RESULT	**553,551**	**(163,479)**	**698,931**	**479,679**	**254,138**	**(63,342)**	**401,223**	2,160,703

2020

OTHER NATIONAL DISCLOSURE

VALUE ADDED STATEMENT

	2020 N'000	%	2019 N'000	%
Gross Premium Written – Local	6,763,375		4,192,606	
Investment and other income – local	160,770		243,227	
	6,924,146		4,435,833	
Bought in goods and services: Local	5,801,014		3,295,571	
Value Added	1,123,131	100	1,140,261	100
Applied as follows:				
In payment of employee:				
- Salaries and wages and other benefits	429,042	38	637,285	56
In Payment to Government:				
- Taxation	(99,952)	(9)	60,560	5
In payment to Provider of Capital				
- Dividend approved	89,800	8	44,900	8
Retained for maintenance and expansion of enterprise				
- Depreciation	267,648	24	177,332	16
- Contingency reserves	202,901	18	125,778	11
- Retained profit/(loss) for the year	233,596	21	94,406	8
Value Added	1,123,131	100	1,140,261	104

This statement represents the distribution of the wealth created through the use of the company's assets and its employee's efforts.

FIVE YEARS FINANCIAL SUMMARY

	2020 N'000	2019 N'000	2018 N'000	2017 N'000	2016 N'000
RESULTS					
Gross Premium Income	6,763,375	4,192,606	3,430,168	2,221,838	2,049,087
Net Premium Written	5,247,225	3,436,280	2,787,864	1,968,858	1,657,691
Profit Before Tax	336,545	280,744	220,164	180,284	321,018
Profit After Tax	436,497	220,184	163,823	133,333	227,540
Basic Earnings per share (k)	19.44	9.81	7.30	5.94	10.14
BALANCE SHEET					
Assets					
Cash and cash equivalent	1,233,572	1,041,997	1,212,425	785,345	1,012,095
Financial Assets	3,057,015	2,103,073	1,605,593	2,077,092	1,735,578
Trade and other receivables	406,713	306,984	297,376	85,458	95,915
Investment properties	7,355,102	4,096,764	970,320	970,320	970,320
Statutory Deposit	315,000	315,000	315,000	315,000	315,000
Other assets	1,177,948	960,283	2,173,322	2,005,966	1,652,095
Total Assets	13,545,350	8,824,101	6,574,034	6,239,181	5,781,004
Liability					
Current Liabilities	646,243	535,961	494,662	454,553	354,439
Borrowings	159,572	263,303	-	-	-
Deferred Taxation	157,361	196,639	108,459	105,542	7,995
Insurance Contract Liabilities	1,445,116	1,080,651	814,516	607,436	668,644
	2,408,292	2,076,554	1,417,637	1,167,531	1,031,078
Shareholders' Funds					
Share Capital	2,245,000	2,245,000	2,245,000	2,245,000	2,245,000
Share Premium	355,200	355,200	475,200	475,200	475,200
Contingency reserves	1,228,444	1,151,321	899,765	796,860	730,205
Retained earnings	1,494,699	1,400,409	1,301,398	1,285,379	1,299,521
Other reserves	345,834	434,630	235,035	269,210	
	5,669,178	5,586,560	5,156,398	5,071,650	4,749,926
Total Assets	8,077,470	7,663,114	6,574,034	6,239,181	5,781,004



It is a fact that people become financially disabled once they lose their employment and a long-term financial disability brings serious financial embarrassment and emotional instability. Anchor LoEIS will protect your employment income in the event of sudden loss of job.

ANCHOR INSURANCE Company Limited **LoEIS**

Loss of Employment Insurance Scheme

0806 761 7500 01 342 5908 loeis@anchorinsuranceng.com

www.anchorinsuranceng.com Plot 21, Ahmed Onibudo Street, Victoria Island, Lagos.

NAICOM/CA/ADV/2020/12018

OFFICES

Corporate Head Office

Plot 21, Ahmed Onibudo Street, Victoria Island, Lagos.
Tel: 01-4540100

Registered Office

7/13 Aka Road, PMB 1151, Uyo, Akwa Ibom State.
Tel: 08067107569

Abuja Zonal Office

Yobe Investment House (Ground Floor), Plot 1332 Ralph Shodeinde Street, CBD, Abuja.
Tel: 08067108132

Edo State

Matan Plaza, 66, Airport Road, Benin City.
Tel: 08067172938

Delta State

Suite 23 Eku Plaza, 128 Effurun/Sapele Road, Beside Smile Filling Station, Effurun
Tel: 08069087252

Kano State

26B, Post Office Road, Kano.
Tel: 08069122259

Anambra State

44, New Market Road, Onitsha.
Tel: 08069196325

Kwara State

8, Ilofa Road By Radio Kwara Old Gate, G.R.A, Ilorin.
Tel: 08150384048

Gombe State

Suites 23/24 Zango Plaza, Along Sabon Layi Biu Road, Gombe.
Tel: 08037211793, 08150384222

Cross River State

Sharon Plaza, M/M Highway by WAPI Junction, Calabar.
Tel: 08067183609

Rivers State:

No. 2 Ezimgbu Link Road (AKA Mummy B Road), Off Stadium Road, Port Harcourt.
Tel: 08069078514

Kaduna State

18, Wharf Road, 6th Floor, Bank of Industry House, Kaduna.
Tel: 08069133927

Oyo State

107 Liberty Road, Opposite Liberty Stadium, Ibadan.
Tel: 08067105835

Ogun State

Cultural Village Complex, Obasanjo Presidential Library Beside NNPC Mega Station, Oke-Mosan, Abeokuta.
Tel: 08067108913

Ondo State

3rd Floor Tisco Building, Opposite Mr. Biggs Alagbaka, Akure.
Tel: 08067655662

Osun State

KM 4 Gbogan/Ibadan Road, Beside Sterling Bank, Osogbo.
Tel: 08069199448

Lagos Mainland

4 Salvation Road, Opebi, Ikeja, Lagos.
Tel: 01-3425908

Company email address:

info@anchorinsuranceng.com

For further enquiries:

Business:	08023044343
Claims:	08056156230
Legal:	08029522219
Corporate Information:	08138003100

Notes



ANCHOR INSURANCE
Company Limited
RIC: 005 RC: 132269

Wouldn't you rather avoid any regrets?

Take our Agric Insurance Cover today

AGRIC INSURANCE PRODUCTS

...where insurance works

Call: 09060000763, 09060000764
Or Visit: www.anchorinsuranceng.com



www.anchorinsuranceng.com

...where insurance works